



**OUR SHARED
VISION**

**25000
MW
by 2040**



**12000
MW
by 2030**



**5000
MW
by 2023**

**ANNUAL REPORT
वार्षिक रिपोर्ट
2020-21**

**एसजेवीएन लिमिटेड
SJVN LIMITED**

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

A Mini Ratna & Schedule "A" PSU



BOARD OF DIRECTORS



NAND LAL SHARMA
Chairman & Managing Director

FUNCTIONAL DIRECTORS



GEETA KAPUR
Director (Personnel)



SURINDER PAL BANSAL
Director (Civil)



AKHILESHWAR SINGH
Director (Finance)



SUSHIL SHARMA
Director (Electrical)

GOVT. NOMINEE DIRECTORS



TANMAY KUMAR
Nominee Director (GoI)



RAM DASS DHIMAN
Nominee Director (GoHP)

INDEPENDENT DIRECTORS



SUBHASH CHANDER NEGI
Independent Director



DR. RAJNISH PANDE
Independent Director

THE BOARD OF DIRECTORS - BRIEF PROFILES

CHAIRMAN & MANAGING DIRECTOR

Shri Nand Lal Sharma is on our Board as Chairman and Managing Director since 1st December 2017. Prior to this, he was holding the post of Director (Personnel) of the Company since 22nd March 2011. Shri Sharma joined SJVN in July 2008 as Executive Director (HR). Prior to joining SJVN, he served as an officer with the coveted Himachal Pradesh Administrative Services. During his tenure in administrative services, he held various key administrative posts in the State Govt. of Himachal Pradesh namely - Asstt. Commissioner to DC Chamba, Sub-Divisional Magistrate, Deputy Secretary to Chief Minister, Secretary HP State Electricity Board, Land Acquisition Collector, Mandi & Shimla, Special Secretary (GAD), Director, Ayurveda and Special Secretary (Health) to the Govt. of Himachal Pradesh.

Shri Sharma holds MBA and M.Sc degrees. He has vast experience of 31 years in the State Government administration as well as Public Sector Undertakings. As Director (Personnel) of SJVN, he had the overall charge of Human Resources Functions including Personnel, Administration, Rehabilitation & Resettlement, Legal, CSR, Procurement etc. He was the Chairman, SJVN Foundation, responsible for planning and implementation of CSR projects of the Company. Under his leadership, Change Management and Strategic HR in SJVN has been exhibited through the implementation of various innovative HR strategies in SJVN including revisiting the vision, mission and objective of SJVN. He has played a crucial role in the best performance of the company and its re-modelling of business plan. As per his vision, the effective implementation of Balanced Score Card to achieve organizational targets has resulted in Excellent MOU rating for the past many years.

FUNCTIONAL DIRECTORS

Smt. Geeta Kapur, has been appointed as Director (Personnel) w.e.f. 18th October 2018. Prior to this, she held the post of General Manager (Human Resource) at SJVN Limited. Mrs. Kapur is a Post Graduate in Management from Himachal Pradesh University, Shimla. She has more than 3 (three) decades of experience in core areas of Human Resource (HR), out of which 26 years in SJVN. She started her career with Punjab Wireless Systems (PUNWIRE) a Punjab State Industrial Development Corporation (PSIDC) owned concern in Mohali, Punjab. She was 1st woman officer to join the HR Team in 1986. She also happens to be the first woman Functional Director of the Company.

During her tenure in SJVN, in addition to policies and defining appropriate standard operating procedures, she played a vital role in Wage Settlements with Unions since inception. As a Head of Policy Section, she implemented Pay Revision applicable to Executives and Board Level Executives w.e.f. 01.01.1997 and 01.01.2007. Drawing inspiration from the concept of variable pay introduced by DPE w.e.f. 01.01.2007, she headed the section which introduced the concept of Balanced Score Card (BSC). Thus, driving a strategic performance management framework to drive performance for payment of variable pay generally referred to as Performance Related Pay. The payment was based on three Parameters namely- MOU, BSC and Individual Contribution as a key differentiators. To promote general well-being, create congenial atmosphere, sustainable hand holding upon superannuation various schemes like Voluntary Superannuation Scheme, Group Saving Linked Insurance Scheme, Benevolent Fund Scheme and Defined Contributory Pension Scheme were implemented. This positively impacted all palpable measures reflecting HR culture in the organization. As a Human Resource Director, she envisions an Organization which finds a place in the Reversed List of "Great Place To Work" amongst India's CPSEs.

Shri Surinder Pal Bansal, has been appointed as Director (Civil) w.e.f. 1st April 2019. Shri Bansal holds B. Tech in Civil Engineering from Punjab University, Chandigarh and Masters in Civil Engineering Structures from Thapar Institute of Engineering & Technology, Patiala. He has more than 33 years of experience as Civil Engineer in various organizations including SJVN. Prior to joining SJVN as Director, he held the post of Chairman & Managing Director of Hindustan Salts Limited. He started his career in 1987 with Punjab State Electricity Board and he also has teaching experience at REC, Kurukshetra. He joined SJVN in 1993 as Civil Engineer and worked in various departments and projects and rose to the level of Addl. General Manager before joining Hindustan Salt Limited as Chairman & Managing Director.

During his previous tenure in SJVN, he worked at various positions and completed various significant assignments. He was associated with Quality Control, Design, Contract/Arbitration, Planning & Monitoring and Business Development. He also headed Expediting Group and has vast experience of Corporate Planning/Monitoring and Business Development with critical assignments. He took the charge of CMD Hindustan Salts Ltd. (HSL) & Sambhar Salts Ltd. (SSL) on 27th May 2015 and after analysing the problems faced by the CPSE, he took a number of radical & aggressive steps/ decisions to improve the performance. He has few publications in leading International & Indian Journals and has also participated in large number of Conferences/Workshops/Seminar/Training programs in various areas on Engineering/ Management/Finance..

Shri Akhileshwar Singh has been appointed as Director (Finance) w.e.f. 6th January 2020. He holds Master of Business Administration (Finance) from Patna University. He has more than 31 years of experience in various organizations including SJVN. He started his career in the year 1987 with Hindustan Paper Corporation Ltd. He joined SJVN in 1993 as Sr. Officer (Finance) and worked in various departments and projects and rose to the level of Chief General Manager (Finance). During his tenure in Hindustan Paper Corporation Ltd., he worked at various Executive positions and completed various significant assignments. He was associated with Finance and Internal Audit.

In SJVN, he worked at various positions and completed various significant assignments including Buyback of Shares. He worked in various sections of Finance, Commercial & System Operation, HOD (Finance) of LHEP, HOD (Internal Audit), CFO, SAPDC Nepal and as Chief General Manager (Finance) of Corporate Headquarters, Shimla. He has been also appointed as Chief Financial Officer of SJVN w.e.f. 27th November 2019. He is responsible for all legal and statutory compliance as Key Managerial Personnel including vetting of all proposals and agendas for Board and Committee Meetings.

Shri Sushil Sharma has been appointed as Director (Electrical) w.e.f. 01st August 2020. Prior to this, Shri Sharma was holding the post of General Manager (Mechanical) in SJVN at 1500 MW Nathpa Jhakri Plant. Shri Sharma did his B.E. (Mechanical) from VNIT, Nagpur. He has more than 31 years of rich and varied experience in various organisations including SJVN. He started his career in H.P. State Technical Education Service in 1990. He joined SJVN in January, 1994 as Asstt. Engineer and worked in various Departments / Projects and rose to the level of General Manager (Mechanical).

In SJVN, he was involved in the Design / Construction of 1500 MW Nathpa Jhakri Project and 412 MW Rampur HPS. He has a vast experience in Design, Erection and Maintenance of Hydro Power Plants. Initially he worked in the Design office of SJVN for about 19 years for Planning and Design of Hydro-



Mechanical components of various projects. Later on he was involved in the successful Erection & Commissioning of 412 MW Rampur HPS. After Commissioning, he looked after the Maintenance of Electrical and Mechanical equipment of 412 MW Rampur Project. Subsequently, he was In-charge of Mechanical Maintenance of 1500 MW Nathpa Jhakri Project.

GOVERNMENT NOMINEE DIRECTORS

Shri Tanmay Kumar, Joint Secretary (Hydro), Ministry of Power (DIN: 02574098), has been appointed as Nominee Director of Govt. of India on our Board w.e.f. 11th June 2020. Shri Kumar is an Indian Administrative Services Officer, 1993-Rajasthan batch. He is a B.Tech in Civil Engineering from IIT, Delhi and M.Tech in Soil Mechanics & Foundation Engineering from IIT, Delhi. He is presently working as Joint Secretary in Ministry of Power, Government of India and is looking after amongst other things, Transmission Sector, POSOCO (Power System Operation Corporation Limited) and Grid Integration of Renewable Energy. He has served in various capacities in Government of Rajasthan for almost 27 years - as Collector and District-Magistrate of Bharatpur, Alwar and Kota continuously for more than 6 years, in the Chief Minister's Office for 3 years in the first instance as Deputy Secretary, Special Secretary and then as Secretary to Hon'ble Chief Minister and then later for 5 years (2013-2018) in the second instance as Principal Secretary to Hon'ble Chief Minister. During his long career in public service, he has conducted himself with honesty and sincerity and is passionate about his work. He believes in strengthening the system and in continuous improvement / innovation of the existing system as well as in business process re-engineering / government process re-engineering. He has worked as Chairman of Rajasthan Renewable Energy Corporation (RREC) for 5 years. He has a rich and varied experience of the power sector, having worked with the Chief Minister, Rajasthan who was also the Energy Minister. He has also been appointed as Part-Time Official Director on the Boards of NHPC Ltd, Power Finance Corporation Limited and REC Limited by the Ministry of Power.

Shri Ram Dass Dhiman, Shri Ram Dass Dhiman, Additional Chief Secretary (MPP & Power), has been appointment as Nominee Director of Govt. of Himachal Pradesh on the Board of SJVN Limited w.e.f. 22nd June 2021. Shri Dhiman, is a 1988 batch, Indian Administrative Services Officer of Himachal cadre. He holds a Bachelor's Degree in Civil Engineering and Post Graduate Degree in Governance & Development. In addition, he has acquired training and experience in diverse areas of Management from various prestigious educational and administrative Institutions of the country and abroad. Shri Dhiman has a vast experience of over 33 years and has served on many important administrative positions in Himachal Pradesh State Government, like – Additional Chief Secretary – Revenue, Personnel, Health & Family Welfare, Agriculture, Forest and Language Art & Culture; Principal Secretary - Industries, Labour & Employment, Food, Civil Supplies & Consumer Affairs, Social Justice & Empowerment, Industries, Education, Agriculture; Chairman & Managing Director & Member (Admn.) – HP State Electricity Board; Managing Director – HP Power Corporation Ltd., Electronics Development Corporation, HP Financial Corporation, State Industrial Development Corporation; Secretary - Rural Development & Panchyati Raj; Registrar - Co-op Societies; Commissioner – Excise & Taxation, Director - Food & Supplies; Deputy Commissioner – Solan & Kullu; Additional Director – Industries & IT etc.

INDEPENDENT DIRECTORS

Shri Subhash Chander Negi, has been appointed as Independent Director on our board w.e.f. 25th March 2019. Shri Negi is a retired Indian Administrative Services Officer of Himachal cadre - 1978 batch. He holds Bachelor's Degree in Science. In addition, he has acquired training and experience in diverse areas of Governance and Management from various prestigious educational and administrative Institutions of the country and abroad. During his career spanning over 40 years he has served on many key administrative positions in various Department of Himachal Pradesh State Government, like – Chairman / CMD – Himachal Pradesh State Electricity Board (HPSEB), Principal Secretary/ Secretary to GoHP Departments of MPP & Power, Home & Vigilance, Industries, Tribal Development, Public Works Department, Personnel and Revenue, Managing Director – State Tourism Corporation, Member/ Director – Departments of Industries and Rural Development, Deputy Commissioner / Commissioner of two Districts. In addition, Shri Negi has also served in IPS (Kerala – 76) and as Chairman of HP State Electricity Regulatory Commission from February 2011 to September 2015.

Dr. Rajnish Pande, has been appointed as Independent Director on our Board w.e.f. 29th March 2019. Dr. Pande, is presently working as Professor in Kumaun University and specializes in Labour Economics. He obtained Doctorate, Masters & Bachelor's Degrees in Economics from Kumaun University. He started his career as a Lecturer in Kumaun University in 1988 and was subsequently elevated as Sr. Lecturer, Reader and Professor. He has a number of Research Papers, Articles and Abstracts published in leading national and international Journals to his credit. In addition, he has also edited three Books and one Research Project.



Project Portfolio

I. Generation Projects

Sr. No.	Project	Location	Capacity (in MW)
A. Projects under Operations			
1.	Nathpa Jhakri Hydro Power Station	Himachal Pradesh	1500
2.	Rampur Hydro Power Station	Himachal Pradesh	412
3.	Khirvire Wind Power Project	Maharashtra	47.6
4.	Charanka Solar PV Power Plant	Gujarat	5.6
5.	Sadla Wind Power Project	Gujarat	50
6.	Grid connected Solar Plant at NJHPS	Himachal Pradesh	1.3
Sub-Total			2016.50
B. Projects under construction			
7.	Arun- 3 HEP	Nepal	900
8.	Naitwar Mori HEP	Uttarakhand	60
9.	Buxar Thermal Power Project	Bihar	1320
10.	Kholongchhu HEP	Bhutan	600
11.	Luhri Stage-I HEP	Himachal Pradesh	210
12.	Dhulasidh HEP	Himachal Pradesh	66
13.	Solar Power Project	Gujarat	70
Sub-Total			3226
C. Projects under Investment approval/ DPR concurred but construction is yet to start			
14.	Sunni Dam HEP	Himachal Pradesh	382
15.	Jakhol Sankri HEP	Uttarakhand	44
16.	Parasan Solar Power Project	Uttar Pradesh	75
Sub-Total			501
D. Projects under Survey and Investigation stage			
17.	Devsari HEP	Uttarakhand	194
18.	Luhri Stage-II HEP	Himachal Pradesh	172
19.	Jangi Thopan Powari HEP	Himachal Pradesh	804
20.	Bardang HEP	Himachal Pradesh	175
21.	Purthi HEP	Himachal Pradesh	232
22.	Reoli Dugli HEP	Himachal Pradesh	430
23.	Tandi HEP	Himachal Pradesh	104
24.	Rashil HEP	Himachal Pradesh	130
25.	Sach Khas HEP	Himachal Pradesh	267
26.	Lower Arun HEP	Nepal	679
Sub-Total			3187
Total (A+B+C+D)			8930.50

II. Transmission Projects

Sr. No.	Project	Location	Length (km)
Project under Operation			
27	400 kV, D/C Cross Border Transmission Line (Operated by JV: CPTC)	Muzafarpur to Sursand on Indo Nepal Border	86
Project under Construction			
28	400 kV Double Circuit Transmission Line for evacuation of power from 900 MW Arun-3 Project, Nepal to India border. (Executed by Subsidiary: SAPDC)	Diding to Bathnaha on Indo Nepal Border	217
29	220 kV Double Circuit Transmission Line for evacuation of power from 60 MW Naitwar Mori Hydro Electric Project) (Transmission line is part of Naitwar Mori Hydro Electric Project)	Mori (UK) to Snail (H.P.)	40



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REFERENCE INFORMATION

Company Secretary	:	Soumendra Das
Statutory Auditors	:	M/s A P R A & Associates LLP
Cost Auditors	:	M/s Balwinder & Associates
Secretarial Auditors	:	M/s SGS Associates
Registered & Corporate Office	:	SJVN Corporate Office Complex, Shanan, Shimla - 171 006
Shares Listed at	:	National Stock Exchange Limited BSE Limited
Depositories	:	National Securities Depository Limited Central Depository Services (India) Limited
Bankers	:	State Bank of India Punjab National Bank IDBI Bank HDFC Bank IDFC First Bank Canara Bank



SELECTED FINANCIAL INFORMATION*

(₹ Crore)

	2020-21	2019-20 #	2018-19	2017-18	2016-17
A. Revenue					
Revenue from operations (net)	2490.83	2707.61	2646.38	2229.97	2679.31
Other Income	722.24	387.63	262.61	357.10	440.59
Total Revenue	3213.07	3095.24	2908.99	2587.07	3119.90
B. Expenses					
Employees Benefits Expense	320.55	307.68	315.81	265.22	253.39
Other Expenses	368.82	362.89	305.28	276.25	235.68
Profit before depreciation, finance cost, exceptional items, net movement in regulatory deferral account balance and tax	2523.70	2424.67	2287.90	2045.60	2630.83
Depreciation and Amortization Expense	393.27	384.09	390.26	364.51	679.98
Profit before finance cost, exceptional items, net movement in regulatory deferral account balance and tax	2130.43	2040.58	1897.64	1681.09	1950.85
Finance Costs	(2.85)	268.07	235.33	83.82	45.70
Profit before exceptional items, net movement in regulatory deferral account balance and tax	2133.28	1772.51	1662.31	1597.27	1905.15
Exceptional Items (+) income (-) loss	(293.44)	(6.09)	(57.08)	-	-
Profit before net movement in regulatory deferral account balance and tax	1839.84	1766.42	1605.23	1597.27	1905.15
Net movement in regulatory deferral account balance	328.83	192.94	187.31	51.10	(31.22)
Profit before tax	2168.67	1959.36	1792.54	1648.37	1873.93
Tax (Net)	535.63	401.93	428.25	423.49	329.79
Profit after tax	1633.04	1557.43	1364.29	1224.88	1544.14
Other Comprehensive Income (Net of Tax)	(1.66)	(14.20)	(14.82)	(11.94)	(3.96)
Total Comprehensive Income	1631.38	1543.23	1349.47	1212.94	1540.18
Dividend for the year (Accrual Basis)	864.56	864.56	844.91	864.56	1137.57
Dividend tax for the year (Accrual Basis)	-	137.32	173.68	176.16	231.59
Dividend for the year (Cash Basis)	903.85	923.51	668.07	992.79	1125.16
Dividend Tax during the year (Cash Basis)	-	189.83	137.33	202.11	229.06
Retained Profit	729.19	444.09	558.89	29.98	189.92
C. Assets					
Fixed assets (net block)					
Property Plant & Equipment	7470.88	7569.38	7683.00	7638.29	7979.31
Other Intangible assets	27.58	1.38	1.75	2.41	0.59
Capital work-in-progress including Intangible Assets under Development	1206.78	944.88	765.46	642.42	441.76
Total Fixed Assets (Net block)	8705.24	8515.64	8450.21	8283.12	8421.66
Investments (Non-current Financial Asset)	3462.14	1972.99	1292.39	863.03	764.66
Deferred Tax Assets (Net)	622.72	784.63	308.47	350.72	422.78
Regulatory Deferral Account Debit Balance	861.70	532.87	339.93	152.62	101.52
Other non-current assets including financial assets other than investments	786.44	324.75	298.16	269.36	263.48
Current assets	2425.33	3645.35	4231.49	4446.74	5402.69
Total Assets	16863.57	15776.23	14920.65	14365.59	15376.79
D. Liabilities					
Borrowings	1855.68	1972.19	1940.46	2035.34	2229.47
Other Non-current liabilities including Lease liabilities, financial liabilities and provisions other than borrowings.	857.75	882.71	887.25	837.00	873.57
Current liabilities (inclusive of current maturities of long term borrowings)	1388.30	887.02	854.16	798.54	789.92
E. Net-worth					
Share Capital	3929.80	3929.80	3929.80	3929.80	4136.63
Other Equity	8832.04	8104.51	7308.98	6764.91	7347.20
Net-worth	12761.84	12034.31	11238.78	10694.71	11483.83
Total Liabilities	16863.57	15776.23	14920.65	14365.59	15376.79
F. Number of employees	1499	1564	1579	1602	1686
G. Ratios					
Return on net worth (%)	12.80%	12.94%	12.14%	11.45%	13.45%
Book Value per Share (₹)	32.47	30.62	28.60	27.21	27.76
Earnings per share (₹)	4.16	3.96	3.47	2.97	3.73
Current ratio	1.75	4.11	4.95	5.57	6.84
Debt to equity (including current maturities of long term borrowings)	0.16	0.18	0.19	0.21	0.21

* Standalone

Restated as per F.Y. 2020-21



SJVN LIMITED

CIN: L40101HP1988GOI008409

Registered Office: SJVN Corporate Office Complex, Shanan, Shimla-171006

Telephone: 0177- 2660075, Fax: 0177-2660071,

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

NOTICE

NOTICE is hereby given that the 33rd Annual General Meeting of the Members of SJVN Limited will be held on **29th September 2021, Wednesday at 15:00 HRS through Video Conferencing (VC)/Other Audio Visual Means (OAVM)** to transact the following businesses:-

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - (a) The Audited Standalone Financial Statements of the Company for the year ended 31st March, 2021 together with 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 and comments of the Comptroller and Auditor General of India, in terms of Section 143(6) of the Companies Act, 2013.
 - (b) The Audited Consolidated Financial Statements of the Company for the year ended 31st March, 2021 together with 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 and comments of the Comptroller and Auditor General of India, in terms of Section 143(6) of the Companies Act, 2013.
2. To confirm the payment of Interim Dividend of ₹ 1.80 per share and to declare the final dividend, if any, on equity shares for the financial year 2020-21.
3. To appoint a Director in place of **Shri Akhileshwar Singh (DIN 08627576)**, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of **Shri Sushil Sharma (DIN 08776440)**, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

5. **Ratification of remuneration of Cost Auditor for financial year 2021-22:**

To consider and, if thought fit, to pass with or without modifications, the following Resolutions as 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 ₹ 2,10,000/-plus GST as applicable plus Out of pocket expenses incurred in connection with the cost audit to be paid to M/s Balwinder & Associates, Cost Accountants, Chandigarh, Cost Auditors of the Company for the financial year 2021-22, 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: 14th August 2021

Place: Shimla



NOTES:-

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. Pursuant to the General Circular numbers 14/2020, 17/2020, 20/2020 and 02/2021 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/ CIR/P/2021/11 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.
3. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC/OAVM, the facility for appointment of proxies by the members will not be available.
4. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 (“the Act”).
5. As required by Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant details of **Shri Akhileshwar Singh (DIN 08627576)** and **Shri Sushil Sharma (DIN 08776440)** retiring by rotation and seeking re-appointment under items no. 3 & 4 of the Notice respectively are annexed. 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. The Register of Members and Share Transfer Books of the Company will remain closed from **23rd September 2021 (Thursday) to 29th September 2021 (Wednesday)** (both days inclusive).
8. **The Board has recommended a Final Dividend @ ₹0.40 per share in its 290th meeting held on 26th June 2021. 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 22nd September 2021 (Wednesday).**
9. 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 5th October, 2021.
10. 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.
11. 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 **Alankit Assignments Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi – 110055**, (the Registrar & Transfer Agent of the company), if not done earlier.
12. Members may note that the Income Tax Act, 1961, (“the IT Act”) as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.
13. For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:-

Members having valid PAN	10% or as notified by the Government of India
Members not having PAN/valid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2021-22 does not exceed ₹5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member
- Copy of Tax Residency Certificate (TRC) for the FY 2021-22 obtained from the revenue authorities of the country of tax residence, duly attested by member
- Self-declaration in Form 10F
- Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member



In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

The aforementioned documents are required to be mailed to sjvn.dividend@sjvn.nic.in during the period commencing from September 05, 2021 and ending on September 29, 2021.

We request you to visit www.sjvn.nic.in for more instructions and information in this regard. No communication would be accepted from members after September 29, 2021 regarding the tax withholding matters.

14. 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.
15. 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 AGM
16. 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.
17. Annual Listing fee for the year 2021-22 has been paid to the Stock Exchanges wherein shares of the Company are listed.
18. 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 the above notes.
19. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.
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, Alankit Assignments 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 2020-21 along with the notice of Annual General Meeting 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. Members may further note that the said documents will also be available on the Company's website www.sjvn.nic.in and notice will also be available at www.evotingindia.com for download. For any communication, the shareholders may also send requests to the Company's investor email ID viz. investor.relations@sjvn.nic.in.
23. Since the AGM will be held through VC/OVAM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

Instructions for Remote Electronic Voting

1. In view of the situation due to COVID-19 global pandemic, the general meetings of the companies are being conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and MCA circular no. 02/2021 dated January 13, 2021. The forthcoming AGM will thus be held through VC/OVAM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA/SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Circulars, the Notice calling the AGM has been uploaded on the website of the Company at www.sjvn.nic.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.



7. The Company has appointed **Mr. Santosh Kumar Pradhan**, Practicing Company Secretary, as the scrutinizer to scrutinize the remote e-voting process and casting vote through the e-voting system during the meeting in a fair and transparent manner.
8. The scrutinizer will submit his final report on votes casted through remote e-voting process and casting vote through the e-voting system during the meeting to Chairman of the Company within three working days after the conclusion of e-voting period.
9. The results of annual general meeting shall be declared by the Chairman or his authorized representative or any Director of the Company on/ or after annual general meeting within the prescribed time limits.
10. The result of the e-voting will also be placed at the website of the Company viz. www.sjvn.nic.in and also on www.evotingindia.com.
11. The scrutinizer's decision on the validity of e-voting will be final.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

1. The voting period begins on **09:00 a.m.** on **26th September, 2021** and ends on **5:00 p.m.** on **28th September, 2021**. 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 **22nd September, 2021** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.
3. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
4. Pursuantly, login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.



Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

5. Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
 - i. The shareholders should log on to the e-voting website **www.evotingindia.com**.
 - ii. Click on “Shareholders” module.
 - iii. 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - iv. Next enter the Image Verification as displayed and Click on Login.
 - v. If you are holding shares in demat form and had logged on to **www.evotingindia.com** and voted on an earlier e-voting of any company, then your existing password is to be used.
 - vi. If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	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. <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.

- vii. After entering these details appropriately, click on “SUBMIT” tab.
- viii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 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.
- ix. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- xi. 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.
- xii. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- xiii. 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.
6. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
7. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
8. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
9. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
 - i. Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to **www.evotingindia.com** and register themselves in the “Corporates” module.
 - ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.



- iii. 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.
- iv. The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- v. 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.
- vi. Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor.relations@sjvn.nic.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
5. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
6. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
7. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
8. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/ Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
9. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor.relations@sjvn.nic.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor.relations@sjvn.nic.in. These queries will be replied to by the company suitably by email.
10. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.relations@sjvn.nic.in.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to **Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futorex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013** or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013.

Item No.5:

The Board, on the recommendation of the Audit Committee, vide its **286th meeting dated 12th February 2021** has approved the appointment and remuneration of M/s Balwinder & Associates, Cost Accountants, Registration No. 000201, Chandigarh 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 2022**.

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. 5** of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending **31st March 2022**.

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.5** of the Notice.

The Board recommends the Ordinary Resolution set out at **item no. 5** of the Notice for approval by the shareholders.



**BRIEF RESUME OF THE DIRECTORS SEEKING RE-ELECTION
AT THE 33rd ANNUAL GENERAL MEETING.**

Name	Mr. Akhileshwar Singh	Mr. Sushil Sharma
DIN	08627576	08776440
Date of Birth	11-December-1964	03-August-1966
Date of Appointment	06-January-2020	01-August-2020
Qualification	Master of Business Administration (Finance) from Patna University.	B.E. (Mechanical) from VNIT, Nagpur
Expertise in Specific Functional Area	<p>Mr. Akhileshwar Singh has more than 30 years of experience in various organizations including SJVN. He started his career in the year 1987 with Hindustan Paper Corporation Ltd. He joined SJVN in 1993 as Sr. Officer (Finance) and worked in various departments and projects and rose to the level of Chief General Manager (Finance). During his tenure in Hindustan Paper Corporation Ltd., he worked at various Executive positions and completed various significant assignments. He was associated with Finance and Internal Audit.</p> <p>In SJVN, he worked at various positions and completed various significant assignments including Buyback of Shares. He worked in various sections of Finance, Commercial & System Operation, HOD (Finance) of LHEP, HOD (Internal Audit), CFO, SAPDC Nepal and as Chief General Manager (Finance) of Corporate Headquarters, Shimla. He has been also appointed as Chief Financial Officer of SJVN w.e.f. 27th November 2019. He is responsible for all legal and statutory compliance as Key Managerial Personnel including vetting of all proposals and agendas for Board and Committee Meetings.</p>	<p>Mr. Sushil Sharma has more than 30 years of rich and varied experience in various organisations including SJVN. He started his career in H.P. State Technical Education Service in 1990. He joined SJVN in January, 1994 as Astt. Engineer and worked in various Departments / Projects and rose to the level of General Manager (Mechanical).</p> <p>In SJVN, he was involved in the Design / Construction of 1500 MW Nathpa Jhakri Project and 412 MW Rampur HPS. He has a vast experience in Design, Erection and Maintenance of Hydro Power Plants. Initially he worked in the Design office of SJVN for about 19 years for Planning and Design of Hydro-Mechanical components of various projects. Later on he was involved in the successful Erection & Commissioning of 412 MW Rampur HPS. After Commissioning, he looked after the Maintenance of Electrical and Mechanical equipment of 412 MW Rampur Project. Subsequently, he was In-charge of Mechanical Maintenance of 1500 MW Nathpa Jhakri Project.</p>
Directorship held in other Listed Companies	NIL	NIL
Names of other Listed Entities in which the person holds the membership of the Committees.	NIL	NIL
Relationships Between Directors Inter-se	NIL	NIL
Number of Shares Held	NIL	1000





CHAIRMAN'S LETTER TO THE SHAREHOLDERS



CHAIRMAN'S LETTER TO THE SHAREHOLDERS



Dear Shareholders,

It gives me immense pleasure to welcome you to the 33rd Annual General Meeting and to present the Annual Report of your Company for the financial year 2020-21.

The Audited Financial Statements of the Company along with the Reports of the Auditors and Directors for the year 2020-21 are presented for your approval and I take this opportunity to share your Company's performance, position and prospects with you.

HIGHLIGHTS OF THE YEAR 2020-21

Dear Friends,

Financial Year 2020-21 has marked its place in the history as a year of adversities. COVID-19 pandemic unleashed an unprecedented humanitarian, social and economic crisis on a global scale. We as a Nation grappled with the two massive waves of COVID-19, which wreaked havoc on the entire humanity. It was a year in which most of us faced physical, emotional, mental and financial challenges on personal and official fronts. It was also a year when the less privileged were disproportionately hurt by unemployment and poverty. But above all, it was a time when companies discovered what they really were and sometimes, what they might become. Entire humanity has stood up to these difficult times and learned to come out of it stronger.

As head of Team SJVN, my heart is filled with pride, to share with you all that, with the collective and relentless efforts of your Management supported by a formidable team of employees, SJVN has demonstrated its resilience in this phase of adversity and has come up in flying colors.

It was a year in which a flurry of challenges were unleashed upon the Company on all fronts. Turbulent times put us through the biggest of tests. As if Global pandemic was not enough, our Operational Hydro projects faced one of the toughest years in terms of hydrological conditions. Similarly our under-construction Projects were confronted with impediments such as workforce migration and irregular supply of material at project sites induced by recurrent waves of global pandemic.

OPERATIONAL PERFORMANCE

Dear Shareholders,

Braving all the challenges in our path, we have managed to maintain the outstanding operational performance and **generated 9224 million units of electricity** from our five Power Stations against Design Energy of 8700 Million Units during FY 2020-21, achieving significant milestones and shattering many records on the way.

In July 2020, Rampur Hydro Power Station (RHPS) recorded highest ever Monthly Power Generation of 333.695 MU as compared to its earlier record of 327.027 MU of July 2019. In another proud moment, Nathpa Jhakri Hydro Power Station (NJHPS) achieved highest ever Single Day Power Generation of 39.373 MU on 21st August 2020 surpassing its own record of 39.363 MU achieved on 3rd Sept 2015. NJHPS also achieved highest ever monthly power generation of 1213.101 MU in the month of July 2020 exceeding the earlier record of 1191.217 MU of July 2014.



FINANCIAL PERFORMANCE

My Dear Friends,

Coming to the Financial performance, your Company has managed to clock the **Highest Ever Profits Before Tax of ₹2168.67 crore** during FY 2020-21. Total Income also rose to ₹3213.07 crore registering an increase of ₹117.83 crore from ₹3095.24 crore during last year. Company has earned net profit of ₹1633.04 crore against ₹1557.43 crore earned during the previous financial year which is also one of the best. Similarly, Earning Per Share (EPS) has soared to ₹4.16 per share from ₹3.96 during the previous year.

An **Interim dividend of ₹1.80 per share** was paid in the month of February 2021. In addition, your Board has recommended a **Final dividend of ₹0.40 per share**. Thus, subject to your approval, a **Total dividend of ₹2.20 per share** is proposed to be paid for FY 2020-21.

Propelling ahead towards the **Shared vision of 5000 MW by 2023, 12000 MW by 2030 & 25000 MW by 2040**, our spirits remained undeterred and unfettered by the widespread social and economic upheaval.

PROJECT EXECUTION

Dear Shareholders,

Presently, the **Project Portfolio of the Company comprises of a total of 26 Projects totaling 8930.5 MW** out of which 6 Projects (2016.5 MW) are Operational, 7 Projects (3226 MW) are under Construction, 3 Projects (501 MW) are under Investment approval/ pre-construction and 10 Project (3187 MW) are in Survey and Investigation Stage. In addition, 1 Transmission Line project of 86 km is operational and another 2 Transmission Line Projects totaling 257 km are under Construction. Thus, the Project Development activities have also scaled to a Record High during the previous year.

The detailed status and progress of Operational Plants and other Projects under development has been amply covered in the Directors' Report. Hence, I would only like to highlight some noteworthy accomplishments during the year. Investment approvals for construction of 66 MW Dhaulasidh HEP and 210 MW Luhri Stage-1 HEP and for pre-construction activities of Jangi Thopan Powari HEP were obtained from Government of India. EPC Packages for Dhaulasidh HEP and Luhri Stage-1 HEP were also awarded during the year.

Financial Closure of Buxar Thermal Power Project was achieved. Consortium financing arrangements for Kholongchhu HEP and Buxar Thermal Power Project were also finalized during the year.

Your Management was quick to recognize the need to take urgent action to cushion the consequences of pandemic and set the stage for speedy recovery of progress of projects under implementation to bring them back on track. Instead of sitting with hand on hand and hiding behind the excuse adverse circumstances, your Management took bold and proactive decision to formulate and implement Acceleration Plan in 900 MW Arun-3 HEP to recover the time and cost setbacks after carefully weighing the costs and benefits of such action. Such courageous decision making and proactive actions are rare in Public Sector Companies.

BUSINESS EXPANSION

Dear Shareholders,

The spree of good news for our investors continues on business expansion front too. During FY 2020-21 and first Quarter of 2021-22, another **1325 MW of Capacity has been added to Company's Portfolio**. This cannot be considered as an insignificant achievement by any standard, considering the all-round economic recession during the period.

Government of Himachal Pradesh allotted **Three Hydro Electric Projects** namely, **104 MW Tandi, 130 MW Rashil and 267 MW Sach Khas Hydro Electric Projects** on the Chenab Basin in Himachal Pradesh to SJVN.

The Investment Board of Nepal allotted **679 MW Lower Arun Hydro Electric Project** located in Sankhuwasabha and Bhojpur Districts of Nepal to SJVN. We have obtained the Project through International Competitive Bidding, after competing with various international companies.

In addition, SJVN also bagged **70 MW in Gujarat under Gujarat Solar PV Project- Phase XII and 75 MW Grid-Connected Solar Power Project at Parasan, Uttar Pradesh** through competitive bidding process. By increasing its footprints in the Solar sector, SJVN shall be contributing in realization of Hon'ble Prime Minister Sh. Narendra Modi's vision of providing 175 GW of power through renewable sources by 2022 and contribute to the growth story of the nation.

OTHER DEVELOPMENTS

Dear Shareholders,

SJVN joined International Solar Alliance (ISA) as Corporate Member. This prestigious membership will provide SJVN a global platform to garner cooperation amongst member countries to enhance the use of Solar Energy in a safe, convenient, affordable, equitable and sustainable manner.

SJVN signed MoU with Indian Renewable Energy Development Agency Ltd. (IREDA) for providing its services to SJVN for Green Energy projects. IREDA will undertake Techno-Financial due diligence of Renewable Energy, Energy Efficiency & Conservation Projects for SJVN.

I again feel delighted to share that the **Dalal Street Investment Journal has recognized SJVN as the "Most Efficient and Profitable Mini Ratna of the Year"** in the PSU Award of the Year 2020.

To sum it all, it would not be an overstatement to state that SJVN has managed to excel and perform on all fronts and has proved its mettle amidst times of adversity. Living upto the faith posed by our stakeholders, we have laid the foundation for long term growth and prosperity of this organization.

HIGHLIGHTS OF THE YEAR 2021-22

Dear Friends,

We have embarked on a new financial year with lots of promises, aspirations and dreams to take SJVN to next level. In the first quarter of the Financial Year 2021-22, 2436 MU of power has already been generated. Out of this, NJHPS generated 1867 MU, RHPS generated 523 MU, Renewable Power Projects have generated a total of 46 MU till 30th June 2021.

Both NJHPS and RHPS once again exceeded the Monthly Generation Record in the month of July 2021 by generating 1216.565 MU and 335.905 MU of



energy respectively. NJHPS and RHPS have also achieved a record Plant Availability Factor of 109.969% and 110.001% respectively during first Quarter of current year.

The construction activities of ongoing projects are slowly rolling back to normal and we are trying to recover the time and cost overruns through suitable acceleration plans.

MACRO ECONOMIC SCENARIO AND GOVERNMENT POLICY

Dear Shareholders,

The world is gradually recovering from the COVID Pandemic. However, the period of trouble is far from over. It would take significant time for Nations and businesses to recoup the losses suffered in the last 2 years and walk back on the course of full recovery. The experts are predicting a sharp rebound in economic activity once the threat of COVID-19 is brought down to a manageable level. According to the World Bank, the global economy is expected to grow 5.6% in 2021-22. This is the fastest post-recession pace in the last 80 years. We continue to remain cautiously optimistic in the short to medium term.

On Government Policy front, some key developments and reform initiatives have taken place which are likely to have a bearing upon our business and financials.

In a significant development, the CERC has amended regulation 59 of CERC (Terms and Conditions of Tariff) Regulations, 2019 whereby, it has been prescribed that the charges payable by a beneficiary or long term customer shall be first adjusted towards Late Payment Surcharge on the outstanding charges and thereafter, towards monthly charges levied by the generating company or the transmission licensee, as the case may be, starting from the longest overdue bill. This reform initiative has a direct bearing on the outstanding bill position of the company and the results have already started reflecting in the financials of the Company. An amount of ₹476.87 crore has been recovered on account of Late Payment Surcharge from the beneficiaries during FY 2020-21. The position of Outstanding Bills has also shown a significant improvement.

Hon'ble Finance Minister, Govt. of India on 13th May 2020, decided to infuse liquidity of ₹90,000 Crores in the power sector through PFC Ltd. and REC Ltd. to enable the sector to maintain power supplies and keep the lights on, as cash flows had plummeted during lockdown imposed to contain the spread of COVID-19. Under this intervention, REC and PFC would extend special long term transition loans upto 10 years to Power Distribution Companies for liquidating outstanding dues of Central Public Sector Undertaking-Generation & Transmission Companies, Independent Power Producers and Renewable Energy generators as existing on 30.06.2020.

The guidelines for Hydro Purchase Obligations (HPO), Budgetary support for Flood Moderation and Enabling Infrastructure are under advance stage of discussion and likely to be issued soon. The saleability issues facing hydropower would be addressed through HPO, tariff rationalisation measures and budgetary support for flood moderation and enabling infrastructure like roads, bridges etc. Large Hydropower projects (>25 MW) would also become eligible for green funding after being categorised as renewable energy source.

Government of India has been driving a vibrant renewable energy programme aimed at achieving energy security, energy access and reducing the carbon footprints of the national economy. This is in line with India's commitments under the 2015 Paris Agreement to reduce greenhouse gas emissions intensity by 33 to 35 percent below 2005 levels and to achieve 40 percent of installed electric power capacity from non-fossil sources by 2030. With progressively declining costs, improved efficiency and reliability, renewable energy is now an attractive option for meeting the energy needs across different sectors of the economy. However, renewable energy technologies are still evolving in terms of technological maturity and cost competitiveness and face numerous market related, economic and social barriers.

In order to promote generation from renewable sources of energy, Ministry of Power, Govt. of India has issued an Order on 5th August 2020 for extension of waiver of Inter State Transmission System (ISTS) charges and losses for transmission of the electricity generated from solar and wind projects commissioned till 30th June 2023.

Guidelines for Tariff Based Competitive Bidding Process for procurement of power from Grid Connected Wind-Solar Hybrid Projects have been notified under section 63 of Electricity Act, 2003. These Guidelines provide for standardization and uniformity of the procurement process and a risk-sharing framework between various stakeholders, thereby encouraging investments, enhancing bankability of projects and improving profitability. The Guidelines also facilitate transparency and fairness in the procurement processes which have resulted in the drastic fall in solar and wind power prices over the past few years.

Foreign investors can now enter into joint venture with an Indian partner for financial and/or technical collaboration and for setting up of renewable energy-based power generation projects. Upto 100 per cent foreign investment as equity qualifies for automatic approval. Foreign Direct Investments are likely to rejuvenate the Renewable Energy Space by infusing smart Money, Technology, Management and Competitiveness.

For quality assurance, standards for deployment of solar photovoltaic systems/devices have been notified. Renewable energy projects have been given priority sector lending status for loans up to a limit of ₹30 crore.

FUTURE PROSPECTS

My Dear Friends,

SJVN has already set foot on the path of becoming a transnational diversified world class power company. Going forward, our highest priority would be to execute the projects in hand, with special focus on projects under construction, within the planned schedule. Wherever and whenever the situation demands, we will not hesitate in taking extraordinary measures like implementation of Acceleration Plans to recoup the lost progress.

We foresee that, due to exponential growth in Solar & Wind capacities, there would be a huge demand for peaking power in the near future. By virtue of its diversified portfolio, your company stands in a position of advantage in such a situation. Low Cost Power from the Solar and Wind Projects can be bundled with peaking Power from Hydro Electric Projects which would help in averaging out the costs and bringing down the overall tariff of bundled power and thereby enhancing its salability. This would be a win-win proposition for the Company as well as its beneficiaries.

Ever since the command of this Company was handed over to me, I took upon myself as my foremost challenge to change the notion that time and cost overruns are inevitable in the projects executed by public sector companies. I soon discovered that this would not be possible without radically changing the mind set and work culture of PSUs. Going forward, Government protection and patronage would not come to the rescue of PSUs. The Government has clearly stated its policy that "Government has no business to be in business". Disinvestment, Privatization, Foreign Direct Investments, Technological Advancements etc. will throw in a new set of challenges from all directions. We have to face and fight an open competition in all spheres of our business with some of the best competitors, not just confined to geographical limits of our country but on a Global Scale. My effort has been to Re-Invent, Re-design, Re-adapt and Re-orient our Company to the ever changing business environment to make it fit for fighting this battle. We have engaged top rank



Management Consultants of the country to imbibe the global best management practices into our organization and to make it future ready with meticulous Corporate Plans and Strategies.

I on behalf of Management and Employees of SJVN would like to assure our Shareholders of our sincere and unrelenting efforts to the best of our abilities.

CORPORATE SOCIAL RESPONSIVENESS

Dear Friends,

The word "Responsibility" is somewhat laden with notion of routine obligation, burden and formality. Hence, we at SJVN consider "Responsiveness" to be a better expression to connote our CSR philosophy. "Responsibility" is discharged by body and mind hence it is mechanical, whereas "Responsiveness" arises from heart and soul and is rooted in genuine concern and compassion for fellow human beings.

Giving back to the society and communities with both hands open has been a guiding principle of our business since our existence. Contributing to social development is engraved in our vision. Our CSR objectives are aimed at improving the quality of life of people in general, through all round social, economic and environmental development in and around our project locations. The core intention and purpose of our Company's CSR initiatives is to have real, perceptible and sustainable impact on the target communities.

The breadth and depth of our CSR activities is neither defined nor confined by any statutory obligations. We have never hesitated to reach out and go beyond the mandatory obligations during the hours of need. The history of our Company's CSR activities is a living proof of this philosophy. Year upon year, we have expended over and above our bare minimum CSR obligation. Continuing this noble tradition, the Company has spent a Total Amount of ₹52.87 crore on CSR Activities during FY 2020-21 which is ₹16.87 crore more than the statutory obligation of ₹36.00 crore. Particulars of our CSR initiatives are detailed in the Annual Report.

It gives me great satisfaction to share that, CSR initiatives of your company have stood the test of time and have been widely acclaimed at various national and international forums. SJVN has been conferred with **SCOPE Meritorious Award for Corporate Social Responsibility & Responsiveness**. In recognition of its initiatives and practices espoused in fight against COVID-19 pandemic, SJVN has been awarded with **CIDC Vishwakarma Award 2021 in the category of CORONA Warriors**.

CORPORATE GOVERNANCE

Dear Friends,

As a listed company, SJVN has been complying with the requirements of Corporate Governance under the SEBI LODR Regulations and also Guidelines issued by Department of Public Enterprises, Government of India. In this regard, your company has been constantly achieving "Excellent" rating for compliance with 'DPE Guidelines on Corporate Governance' under the 'Corporate Governance Grading System' prescribed by DPE.

ACKNOWLEDGMENT

The trust and confidence of our stakeholders including you, our valued shareholders, has been the vital fuel in our unstopping journey of steady growth and improvement. It will certainly be our endeavor, to put in our best efforts for sustained growth, expansion and prosperity of the company benefitting all stakeholders in times to come.

I take this opportunity to place on record my sincere appreciation and thanks for the unstinted support, guidance and cooperation extended by Government of India, State Governments of Himachal Pradesh, Uttarakhand, Bihar, Maharashtra, Gujarat and Uttar Pradesh; the Governments of Nepal and Bhutan; other Governmental and Non-Governmental agencies; Statutory, Cost, Secretarial and Internal Auditors; our Customers; Business associates; various Financial Institutions & Bankers and Regulatory authorities. I acknowledge the continued confidence and trust on Management posed by our Shareholders, Investors and Partners.

Above all, I would like to convey my thanks and appreciation to my esteemed colleagues on the Board and to my team of dedicated and hardworking employees. I take great pride in acknowledging that I owe all the success and accomplishments of Company to my fellow Board Members who stood by me shoulder to shoulder and extended their unfaltering trust, co-operation and guidance in all decisions and to my team of highly competent and energetic Engineers, Officers and Employees who have consistently delivered outstanding results despite all odds.

Thanking you,

Yours Sincerely

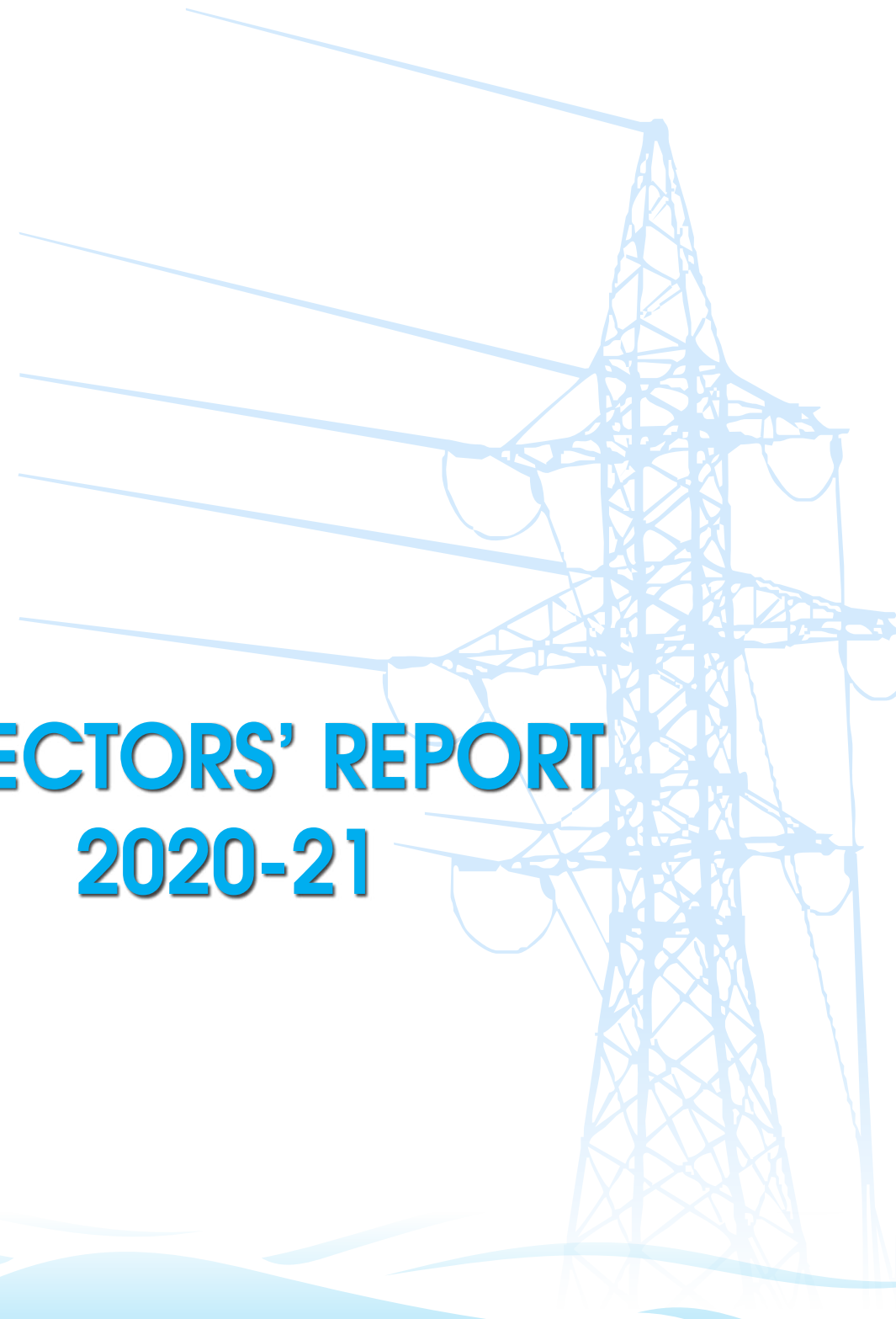


(Nand Lal Sharma)
Chairman & Managing Director
DIN: 03495554

Date : 14th August 2021

Place : Shimla





DIRECTORS' REPORT

2020-21



DIRECTORS' REPORT 2020-21

Dear Members,

Your Directors are pleased to present the Thirty Third Directors' Report of the Company for the year ended March 31, 2021 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 2021 briefly encapsulate the performance of your company: -

1. FINANCIAL HIGHLIGHTS

(₹ in crore)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2020-21	2019-20	2020-21	2019-20
REVENUE				
Revenue from Operations	2490.83	2707.61	2485.39	2702.80
Other Income	722.24	387.63	737.45	400.71
Total Revenue	3213.07	3095.24	3222.84	3103.51
EXPENSES				
Employees' Benefits Expense	320.55	307.68	317.22	308.41
Finance Cost	(2.85)	268.07	(2.85)	268.07
Depreciation and Amortization Expenses	393.27	384.09	393.27	384.09
Other Expenses	368.82	362.89	369.29	363.87
Total Expenses	1079.79	1322.73	1076.93	1324.44
Profit before exceptional items, net movement in regulatory deferral account balance and tax	2133.28	1772.51	2145.91	1779.07
Exceptional items	293.44	6.09	293.44	6.09
Profit before net movement in regulatory deferral account balance and tax	1839.84	1766.42	1856.30	1778.56
Net movement in regulatory deferral account balance	328.83	192.94	328.83	192.94
Profit before share of net profit of joint ventures accounted for using equity method and tax	2168.67	1959.36	2181.30	1965.90
Share in Profit of JVs & Associates	-	-	3.83	5.58
Profit before tax	2168.67	1959.36	2185.13	1971.50
Tax Expenses:				
- Current Tax	316.27	306.82	320.12	309.57
- Tax expense pertaining to earlier years	-	171.92	4.00	171.98
- Tax expense pertaining to regulatory deferral account balance	57.45	33.71	57.45	33.71
- Deferred Tax	161.91	(110.52)	161.91	(110.52)
Profit for the Year	1633.04	1557.43	1645.61	1566.76
Other comprehensive Income/ (Expense) (Net off tax expense)	(1.66)	(14.20)	(1.66)	(14.20)
Total Comprehensive Income for the year	1631.38	1543.23	1643.95	1552.56

2. GENERATION

Gross Energy Generation from various operational plants of the Company during FY 2020-21 is as under: -

(Million Units (MU))

Plant	2020-21	2019-20
NJHPS	7098.925	7445.431
RHPS	1995.335	2098.031
KWPS	48.261	55.042
CSPS	7.219	6.581
SWPP	73.750	73.069
Total	9223.490	9678.154

3. REVENUE AND PROFITS

The standalone revenue from operation decreased by ₹ 216.78 crore to ₹ 2490.83 crore during the financial year 2020-21 compared to ₹ 2707.61 crore during the previous year. The standalone Profit After Tax (PAT) increased by ₹ 75.61 crore to ₹ 1633.04 crore against ₹ 1557.43 crore for the previous year.

The subsidiary and Joint Venture companies are under Survey & Investigation/ Construction except CPTC, which is in operation. Consolidated accounts with the subsidiary & joint venture companies has resulted in increase in profit of consolidated group by ₹ 12.57 crore, PY ₹ 9.33 crore mainly due to inclusion of proportionate share of profit of CPTC and interest income of subsidiary companies.

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 ₹ 1.80 per share has been paid in the month of March 2021. In addition, your Board has recommended a final dividend of ₹ 0.40/- per Share. Thus, subject to your approval, a total dividend of ₹ 2.20 per share (₹ 864.55 crore) is proposed to be paid for FY 2020-21 against ₹ 2.20 per share (₹ 864.55 crore) paid during the previous year.

6. PROJECTS UNDER CONSTRUCTION

i) ARUN-3 HEP (900 MW):

Arun-3 Hydro Electric project (900 MW) is located on Arun River in Sankhuwasabha District of Eastern Nepal. The project is a run-off-the-river scheme with 4 hours peaking and will generate 3924 MU energy annually. SJVN bagged the project through International Competitive Bidding. Memorandum of Understanding for the execution of this Project was signed with Government of Nepal (GoN) on 02.03.2008. The project was allotted to SJVN on BOOT basis, to be operated by SJVN for 25 years after construction and thereafter to transfer back to the Government of Nepal. SJVN Arun-3 Power Development Company Pvt. Ltd (SAPDC) was registered on 25.04.2013 under Nepalese Companies Act, 2063 with an aim to plan, promote, organize and execute the project.

Techno-Economic Approval of the project was accorded by CEA, Government of India (GoI) on 09.06.2014. Project Development Agreement (PDA) was signed with Investment Board of Nepal (IBN), GoN on 25.11.2014. As per PDA, project is scheduled to be completed in 5 years reckoned from financial closure. Financial Closure was achieved on 06.02.2020 for ₹ 6,333.48 Crores through consortium of five Indian and two Nepalese banks.

Environment Impact Assessment report of the project was approved by Ministry of Science, Technology & Environment, GoN on 12.08.2015. Private land required for the project has been registered in the name of SAPDC. Lease agreement for diversion of 96.97 ha forest land was signed on 23.08.2017 and for balance 26.25 ha land, lease agreement was signed on 06.02.2018.

Government of India has accorded investment approval for generation component of the project at an estimated cost of ₹ 5,723.72 Crores at May 2015 price level. Government of Nepal has issued generation license and transmission license on 04.05.2018 and 12.02.2019 respectively.

Hon'ble Prime Ministers of India and Nepal jointly laid the foundation stone of this project on 11.05.2018. Main works are divided into four packages namely – Dam works and 3.1 km HRT (C-1 Package); 8.76 km HRT, Surge Shaft, Power House, TRT (C-2 Package); Hydro Mechanical works (C-3 Package) and Electro Mechanical works (C-4 Package).

Civil Package-1 consisting of Dam area complex civil works plus 3.1 km Head Race Tunnel (HRT) was awarded to M/s Jaiprakash Associates Limited on 22.09.2017. Work is in progress at all fronts. Diversion



Tunnel has been completed and river diverted on 01.02.2021. Dam excavation at left bank, right bank and in dam pit is in progress and 77% have been completed. Excavation of intake tunnels has been completed and slope stabilization works in progress. HRT excavation under this package is in progress and 2.59 km out of 3.1 km has been completed. Overt lining is also started and 1.8 % completed.

Civil package-2 consisting of Power House civil works plus 8.6 km HRT was awarded on 19.03.2018 to M/s Patel Engineering Limited and contract agreement signed on 29.03.2018. Work at all fronts is under progress. All access adits to HRT, powerhouse, pressure shafts, machine hall, transformer hall and butterfly valve house has been completed. 69% excavation of machine hall and 99% excavation of transformer hall have been completed. Pressure shafts, Butterfly valve house and collection gallery is being excavated. 88% excavation of pilot hole of surge shaft is completed. Excavation of HRT is under progress and 3.24 km out of 8.7 km heading excavation has been completed.

HM Package and EM Package were awarded on 11.04.2018 and 30.04.2018 respectively. Approval of design and drawings accorded, procurement/ fabrication of different components is in advance stage. Supply of components has been started and some part of HM and EM components received at site.

Construction power: The work of 33 kV DC transmission line for construction power from Tirtire sub-station to powerhouse site and to dam site is in progress. 99% poles have been erected at site.

Power Evacuation System of Arun-3 HEP:

Power Evacuation system consists of 310 km long 400 kV DC transmission line from Diding (project area) in Nepal through Dhalkebar to Muzzafarpur, India. Lately, however, the substation within India is changed to Sitamarhi. Out of this, Nepal portion of 217 km from Arun-3 power house (Diding) to Bathnaha (Nepal Border) is being constructed by SAPDC. Government of India accorded investment approval amounting to ₹1,236.13 Crores at June, 2017 Price Level on 08.03.2019 for the Nepal portion of transmission line to be constructed by SAPDC.

MoU has been signed with PGCIL for project management consultancy for execution of transmission line stretch in Nepal. Construction work is to be carried out through five packages. All packages i.e. two tower packages, one substation package and two conductor packages have been awarded and the work is in progress. 13% tower foundation completed and erection of towers is in progress.

ii) NAITWAR MORI HEP (60 MW):

Naitwar Mori Hydro Electric Project having 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-the-river project and has the potential to generate 265.5 MU of energy in a 90% dependable year.

Memorandum of Understanding for execution of Naitwar Mori HEP was signed with the Government of Uttarakhand (GoUK) on 21.11.2005. Techno-economic approval of the project was accorded by CEA, Gol on 02.03.2010. Environment clearance was accorded on 16.06.2016 and stage-II Forest clearance on 05.08.2016. For diversion of Forest land required for the project, lease agreement was signed on 01.12.2017. Investment approval for an estimated cost of ₹ 648.33 Crores was accorded by Gol on 16.10.2017 at December, 2016 Price Level as per which, project is to be completed in 48 months from date of award of Major Civil Works i.e. from 05.12.2017.

Hon'ble Union Minister of State (Independent Charge) for Power and Hon'ble Chief Minister of Uttarakhand laid the foundation stone of Project at Mori on 30.03.2018. Main works are divided into three packages namely – Civil works i.e. Barrage, Desilting Tank, Intake and Power Channel, 4.17 km HRT, Surge Shaft, Power House, TRT; Hydro Mechanical works Package and Electro Mechanical works Package.

Main Civil Works at various fronts are in full swing. River was diverted on 31.01.2019 and Barrage concreting is in progress and 77%

completed. Work of RCC retaining walls and construction of u/s and d/s coffer dam is completed. Excavation of desilting Tank has been completed and concreting is in progress. Excavation of HRT from all five faces completed and lining has been started. 34% lining of HRT is completed. 66% excavation of Surge Shaft and 81% excavation of Pressure Shaft has been completed. Excavation of Cable-cum-Ventilation Tunnel, Main Access Tunnel, Adit to Surge Shaft, excavation of Adit from MAT to MIV floor, and excavation of Pressure Shaft bottom horizontal branches has been completed. Excavation of Machine Hall and concreting of beams and columns for EOT Crane erection completed. 99% excavation of Transformer Hall completed. 58% excavation of both Draft Tubes has been completed. Excavation of Bus Duct, Tail Race Tunnel and Switchyard is in progress.

Hydro-Mechanical works package was awarded on 18.04.2018 to M/s GMW Private Ltd. Approval of design and drawings accorded, procurement/ fabrication of different components is in advance stage. Supply of components has been started and major part of HM components received at site. Erection of Radial Gate in Bay-1 of Barrage is in progress.

Electro-Mechanical works package was awarded on 11.06.2018 to M/s Voith Hydro Private Ltd. Approval of design and drawings accorded, procurement/ fabrication of different components is in advance stage. Supply of components has been started and some part of EM components received at site. Erection of Draft Tube liner in Unit-1 & Unit-2 in pit area completed and erection of spiral casing in Unit-1 is in progress. Erection of EOT Crane upto Unit-1 completed.

Power Evacuation System of NMHEP- LoA for construction of 220 kV Transmission line from NMHEP Switchyard to HPPTCL network in Snail issued to M/s KEC International Ltd. on 30.04.2021 with completion period of 12 months. Detailed survey of final Route (approx. 37 km) and tree enumeration work completed. Field work for identification of land completed on 18.07.2021. Revenue records have been collected and verification by Revenue dept. under process.

iii) BUXAR THERMAL POWER PROJECT (1320 MW)

An MOU had been signed between SJVN, Bihar State Power Holding Company Limited and Bihar Power Infrastructure Company for the development of 1320 MW Thermal Power Project as per Supercritical Technology at village Chausa in District Buxar of Bihar on 17.01.2013. SJVN acquired the Project Executing Company i.e. Buxar Bijlee Company Private Limited on 04.07.2013. The name of Buxar Bijlee Company Private Limited was changed to SJVN Thermal Private Limited (STPL), a wholly owned subsidiary company of SJVN Limited on 17.10.2013.

Investment approval for carrying out pre-construction activities of the project amounting to ₹ 436.68 Crores was accorded by Gol on 26.05.2015. MoEF & CC has accorded Environment Clearance on 28.02.2017. Mutation of 1058.335 acre private land for project components was completed on 12.12.2017 and land transferred in the name of STPL. Consent to Establish (NOC) was granted by Bihar State Pollution Control Board on 03.09.2019.

CCEA accorded investment approval of main works on 08.03.2019, amounting to ₹ 10,439.09 Crores. Foundation stone for the project was laid by Hon'ble Prime Minister of India on 09.03.2019.

Power Evacuation system- Power Purchase Agreement (PPA) for the project had already been signed with Bihar State Electricity Board (later Bihar State Power Holding Company Limited, BSPHCL) for 85% share of power generation on bus bar rate. PPA (supplementary agreement) signed with BSPHCL on 09.04.2021 for construction of transmission system for Power evacuation. Tendering work for construction of transmission line by BSPTCL is in progress.

Main Plant works: Single EPC was awarded to M/s L&T on 22.06.2019. Construction activities are in progress. Survey and investigation work of Borehole in Turbine Generator (TG) area and water pipeline corridor has been completed. Work for the construction of boundary wall has been completed. Area grading work in Main Plant area is in progress and 76% excavation completed. Excavation of Cooling



Tower completed and foundation work is in progress. Piling work of Boiler-I, Chimney, Coal Mill-I&II, STG-I, Bottom Ash Hooper-I&II, Demineralisation Plant, Cooling Water pit area and Central control room completed. Piling work of Boiler-II, ESP-II, STG-II, Cooling Water system, Duct Pipe Rack and Fans for Unit-1 is in progress. Structure erection of Boiler-I, ESP-I and Central Control room is in progress. Foundation work of Boiler-1, ESP-I, Chimney, Switchyard, FGD Absorber-I, Track Hooper, Wagon Trippler and Water Treatment Plant is in progress. Civil works of Demineralization water tanks completed on 28.01.2021. Civil foundation of STG building of Unit-1 was completed on 10.02.2021.

PMC of main plant was awarded to NTPC Ltd. on 30.05.2019. Schedule, Engineering coordination, Quality Coordination procedure, Quality assurance program, General layout plan, Vendor list, Organization chart and Manpower planning is finalized. Review engineering, project monitoring, inspection and site supervision are in progress. 85% drawings/ documents submitted by L&T have been approved.

The DPR for Rail infrastructure was approved by East Central Railway (ECR), Hazipur on 05.09.2019. Long-term domestic linkage from Coal India Limited (CIL) has been granted by Ministry of Coal. For coal linkage, Amrapali and Magadh coal blocks have been identified as source by Central Coalfields Ltd. (CCL). Acquisition of land for railway infrastructure, land for water pipeline corridor, Main Gate & extra land, is under process.

PMC of rail infrastructure including tendering and award of rail infrastructure works has been awarded to M/s RITES Ltd. on 13.06.2019. Marking of major bridges and route survey has been completed by RITES. Work for supply of rails (Package-1), PSC sleepers (Package-2) and civil works in-Plant yard and railway portion (Package-3) have been awarded and procurement of materials is in progress. Remaining Railways Packages are under tendering stage.

Infrastructure works for Office building, pre-fab Bachelor accommodation and Township have been awarded and construction activities are in progress.

Work for construction power i.e. construction of 33 kV line & 33 kV/11 kV sub-station has been completed and line is charged.

The project is scheduled for commissioning by October, 2023.

iv) KHOLONGCHHU HEP (600 MW)

Kholongchhu Hydro Electric Project is located on river Kholongchhu in Bhutan. SJVN and Druk Green Power Corporation (DGPC), Bhutan is implementing this project in JV mode. A company 'Kholongchhu Hydro Energy Ltd. (KHEL)' was registered in Bhutan on 12.06.2015 with equal equity contribution. The project will generate 2568 MU of energy annually.

Inter-Governmental Agreement between Royal Government of Bhutan (RGoB) and Government of India (GoI) for implementation of project was signed on 22.04.2014. Hon'ble Prime Minister of India laid the foundation stone of project on 16.06.2014. National Environment Commission (NEC) of RGoB has accorded Environmental Clearance for the Project on 21.07.2014. Concession agreement was signed between KHEL and RGoB on 29.06.2020 at Thimphu in the presence of Hon'ble Minister of External Affairs, GoI and Hon'ble Foreign Minister, RGoB.

Construction of bridges, 33 km approach roads to different work fronts, 132 kV D/C LILLO Transmission Line (19 km), 33 KV overhead distribution line (30 km) and 132/33 kV Sub-station near Power House have been completed. Construction of site offices at Power House, Adits, Surge Shaft and pressure shaft has been completed and work at Dam site in progress. Construction of Colony at Duksum is in progress.

Main Civil works awarded in three packages (KC-1, KC-2, KC-3) on 04.03.2021 as under:

1. **KC-1:** Construction of River diversion works, Dam, Intake, Desilting Arrangement and HRT from RD 0.00 m to RD 2303.00 m including

construction of Adit-1 awarded to M/s Jaiprakash Associates Limited.

2. **KC-2:** Construction of Head Race Tunnel from RD 2303.00 m to RD 14091.07 m including construction of Adits II, III, IV & V and Chaplangchhu Diversion Works awarded to M/s Valecha-Rigsar Joint Venture (Valecha-Rigsar JV).
3. **KC-3:** Construction of Head Race Tunnel from RD 14091.07 m to RD 15762.80 m including construction of Adit VI, Surge Shaft, Butterfly Valve Chamber, Pressure Shafts, Power House Complex and Tail Race Tunnel awarded to M/s Jaiprakash Associates Limited.

Mobilization by respective contractors is in progress. For debt funding of project, MoU has been signed between KHEL and consortium of PFC Ltd. & REC Ltd., India on 09.03.2021.

v) LUHRI HEP STAGE-1 (210 MW):

Luhri Hydro Electric Project Stage-1 is a Run-of-the-River (RoR) scheme with installed capacity of 210 MW, located on river Satluj, near village Nirth spread over Shimla and Kullu Districts of Himachal Pradesh. The project will generate 758 MU of electric energy in a 90% dependable year. Ground breaking ceremony of project was held in the presence of Hon'ble Minister of Home Affairs, Government of India and Hon'ble Chief Minister of Himachal Pradesh on 27.12.2019.

DPR of project was concurred by CEA for an estimated project cost of ₹ 1,912.59 Crores at July, 2017 price level. MoEF&CC has accorded Forest Clearance Stage-1 and Stage-2 on 19.09.2018 and 28.03.2019 respectively. Environmental Clearance was accorded on 17.03.2020. CCEA accorded investment approval amounting to ₹ 1,810.56 Crores for main works of the project on 04.11.2020 and sanction letter issued by Ministry of Power, GoI on 20.11.2020. Completion period of project is 62 months from date of issuance of sanction letter.

EPC package for main Civil & HM works awarded on 24.11.2020 to M/s Luhri Hydro Power Consortium (A consortium of Patel Engineering Ltd. and HES Infra Pvt. Ltd). Initial mobilization completed by the contractor and work at various fronts in progress. Bailey bridge for river crossing has been erected and is operational. Approach roads to Diversion Tunnel (DT) portals completed. Development of DT inlet portal completed and Heading excavation is in progress. Stripping/ benching of right bank slopes for Dam, Power house and TRC is also in progress.

For EM package, NIT was issued on 17.06.2020 and work awarded to M/s Voith Hydro Private Limited on 16.07.2021.

Identification of Land for Towers, ROW and statutory clearances for transmission line from power house to common pooling station at Nanj completed and process for diversion of forest land/ acquisition of private land is in progress. Diversion of NH-5 is required for project construction which is being carried out through HPPWD and work is in full swing. Trace cutting has been completed on 11.02.2021 and formation width cutting, construction of breast & retaining walls is in progress.

Private land as required for construction of project is being purchased directly from land owners and some patch of land is being acquired as per LARR Act. Out of 13.90 ha private land being purchased directly, 11.75 ha purchased. Private land being acquired through Act is under acquisition process for which R&R schemes/ plans are under approval with Administration.

vi) DHAULASIDH HEP (66 MW)

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 a run-of-the-river scheme and will generate 304 MUs of electric energy in a 90% dependable year. MOU signed with Government of Himachal Pradesh on 25.09.2019. Ground breaking ceremony of project was held in the presence of Hon'ble Minister of Home Affairs, Government of India and Hon'ble Chief Minister of Himachal Pradesh on 27.12.2019.

Government of Himachal Pradesh accorded TEC of DPR on 25.06.2011.



Environmental Clearance was accorded by Government of India on 21.02.2013. MoEF&CC have accorded Forest Clearance Stage-1 and Stage-2 on 06.03.2012 and 11.08.2020 respectively. Investment approval amounting to ₹ 687.97 Crores for main works of the project accorded by MoP, Gol on 01.10.2020. Completion period of project is 54 months from date of commencement of construction works.

Private land required for project is being directly purchased from land owners and essential land (3430 kanal) has been purchased. 2309 kanal of Government land will be taken on lease basis which is under approval with GoHP.

Construction of approach road to Dam site (3125m) completed on 31.05.2021. Infra works i.e. Construction of office building & bachelor accommodation have been awarded on 23.02.2021 & 01.03.2021 respectively and work is in progress. For construction power, 9 km transmission line & sub-station completed and power is available at site.

EPC package for main Civil & HM works has been awarded to M/s Rithwik Projects Pvt. Ltd., Hyderabad on 06.05.2021 and mobilization is in progress. Road to diversion tunnel portal completed and construction of road dam top and power house is in progress. For EM works, tendering is in progress.

For power evacuation system, site for pooling station has been finalized with STU. Preliminary & detailed survey work for transmission line from powerhouse to pooling station has been completed.

vii) 70 MW SOLAR POWER PROJECT TO BE SET UP IN GUJRAT:

Project was allotted/ awarded to SJVN by Gujrat Urja Vikas Nigam Limited (GUVNL) on 26.03.2021. Further, SJVN has issued LoA for the execution of project to M/s Refex Energy Limited on 06.05.2021.

PROJECTS UNDER PRE-CONSTRUCTION, SURVEY & INVESTIGATION:

i) SUNNI DAM HEP (382 MW):

Sunni Dam HEP is a run-of-river type scheme situated on river Satluj near Khaira village in Shimla and Mandi districts of Himachal Pradesh. The Project will generate 1382 MU of energy in a 90% dependable year. Government of Himachal Pradesh re-allotted the project on "Stand Alone Basis" to SJVN on 29.08.2017. Investment approval for carrying out pre-construction activities amounting to ₹ 85.09 crores was accorded by Gol on 18.04.2018. MOU was signed with Government of Himachal Pradesh on 25.09.2019.

DPR of project has been concurred by CEA for an estimated project cost of ₹ 2475.35 Crores at July, 2020 price level on 11.02.2021. Environmental Clearance has been recommended by MoEF&CC, New Delhi on 07.01.2021.

For diversion of forest land, case after recommendation from GoHP submitted in MoEF&CC, New Delhi on 24.02.2021 is under process of approval. CAT plan approved by Forest Department, GoHP on 01.04.2021.

For acquisition of private land, notification under section-11 issued by GoHP on 19.01.2021 and published in newspaper on 20.02.2021. R&R plan is under formulation with State Administration.

For evacuation of power from project, location of common pooling station has been finalized by CEA at village Nanj. Work for identification of land required for transmission line up to common pooling station has been awarded on 25.03.2021.

For investment approval of main works, draft PIB Memo submitted to MoP on 09.03.2021 and project cost vetted by CEA on 30.06.2021. EPC package for Civil & HM works is under tendering.

Works for construction of exploratory drifts along Diversion Tunnel (DT) & Powerhouse complex/area have been awarded on 23.03.2021 & 09.04.2021 are in progress.

Work for construction of Office building & Bachelor accommodation awarded on 30.06.2021.

ii) LUHRI HEP STAGE-2 (172 MW):

Luhri Hydro Electric Project Stage-2 is a run-of-the-river type scheme proposed on river Satluj near village Nanj, in Shimla, Kullu and Mandi districts of Himachal Pradesh. The Project will generate 632 MU of energy in a 90% dependable year. Government of Himachal Pradesh re-allotted the project on "Stand Alone Basis" to SJVN on 29.08.2017. Investment approval for carrying out pre-construction activities amounting to ₹ 72.478 Crores has been approved by Gol on 16.03.2018. MOU was signed with Government of Himachal Pradesh on 25.09.2019.

The project is in pre-DPR stage. Five out of nine pre-DPR chapters i.e. Hydrology, International aspects, Storage vs RoR, Power potential and Inter-state aspects have been cleared by CEA and balance four chapters are under examination. Geological investigation drifting & drilling including in-situ testing completed. Additional drilling as per GSI completed.

For Environmental Clearance, draft EIA/EMP report has been prepared on 29.04.2019 and will be submitted to SPCB after approval of CAT plan and DPR.

For acquisition of private land, SIA report submitted to GoHP on 11.08.2020 and notification under section 8(2) of LARR for approval of SIA issued by GoHP on 29.12.2020. Further, process will be initiated after finalisation of DPR of the project.

For diversion of forest land, case was re-submitted on 31.07.2020 and observations raised by forest department are being attended.

For evacuation of power from project, location of common pooling station has been finalized by CEA at village Nanj near project site. Work for identification of land required for transmission line up to common pooling station has been awarded on 25.03.2021.

iii) DEVSARI HEP (194 MW):

Project is a Run-of-the-River (RoR) scheme located on river Pinder, a major tributary of river Alaknanda in district Chamoli of Uttarakhand. The scheme was cleared by GoUk with installed capacity of 252 MW in October, 2007 and by Standing Technical Committee in April, 2012. DPR of project with 252MW installed capacity was concurred by CEA on 07.08.2012.

MoJS, Gol has notified revised e-flows on 09.10.2018 for projects on River Ganga. In order to comply with the gazette notification, the capacity of the project has been reworked from 252 MW to 194 MW and DPR is being revised accordingly. 9 pre-DPR chapters were submitted to CEA on 26.12.2019, out of which five have been cleared and balance four chapters are under examination. The project will generate 626.47 MU of energy in a 90% dependable year.

Forest clearance stage-1 was accorded by MoEF&CC on 26.02.2018 with conditions and compliance report of FC Stage-1 was submitted to MoEF&CC on 28.11.2018. Observations raised by MoEF&CC are being followed up with GoUk.

Environmental Clearance was recommended by EAC in its meeting held on 27.03.2018 subject to certain conditions applicable for FC stage-1. For resolution of submergence issue of Debal SHEP (5 MW), compensation for acquisition of plant as demanded by the owner earlier was disproportionately higher and revised proposal received is under consideration.

For obtaining investment approval for pre-construction activities, DIB proposal amounting to ₹ 291.77 crores submitted to MoP on 15.04.2021.

For acquisition of private land, award issued by DM, Chamoli on 10.07.2019. Compensation amount has already been deposited with Distt. Administration.

Tariff of project is on higher side and matter is being taken up with GoUk for granting concessions in line with concessions granted by GoHP to make the project commercially viable.



iv) JAKHOL SANKRI HEP (44 MW):

Jakhol Sankri HEP with proposed installed capacity of 44 MW is located on River Supin, a tributary of River Tons in Uttarkashi District of Uttarakhand. The project is designed as run-of-the-river project and will generate 166 MU of energy in a 90% dependable year. Investment approval for carrying out pre-construction activities of project has been accorded by Gol at an estimated cost of ₹84.50 Crores on 15.09.2017.

TEA of DPR issued by GoUK on 03.06.2019. Environmental clearance was recommended by EAC, MoEF on 26.12.2019.

Application for diversion of Forest land was submitted on 05.12.2016. Case was forwarded by State Government to Regional Office, MoEF&CC, Dehradun on 02.11.2018. FC-1 recommended by REC, RO, Dehradun, MoEF&CC on 31.08.2020 with conditions. After attending observations, case was resubmitted to RO, MoEF&CC on 05.05.2021 is under process.

For private land acquisition, notification under section-11 of LARR Act was issued on 03.08.2019. Objections of land owners attended and corrigendum to notification published on 23.06.2020. R&R plan approved by Commissioner, Garhwal on 15.06.2021.

Tariff of project is on higher side and matter is being taken up with GoUK for granting concessions in line with concessions granted by GoHP to make the project commercially viable.

v) JANGI THOPAN POWARI HEP (804 MW):

Jangi Thopan Powari HEP is located on river Satluj in Distt. Kinnaur of Himachal Pradesh. GoHP has allotted this project with installed capacity of 780 MW to SJVN on 24.11.2018 and MoU was signed on 25.09.2019. Investment approval for carrying out pre-construction activities of project has been accorded by Gol at an estimated cost of ₹93.24 Crores on 20.05.2021.

Project is under S&I stage, six preliminary chapters were submitted to CEA on 04.10.2019 and three chapters i.e. Hydrology, RoR Vs Storage and Power Potential studies have been cleared. Preliminary layout of the project has been finalized with GSI and capacity of project has been enhanced to 804 MW from allotted capacity of 780 MW.

Application for ToR approval was submitted to MoEF&CC on 08.08.2020 and EAC meeting held on 31.08.2020 and ToR approval received on 02.11.2020. EIA/ EMP report is under preparation.

Work of control survey was awarded to Survey of India on 15.05.2020 is in progress. Detailed Topographical survey has also been awarded on 04.01.2021.

Geological investigation works i.e. drilling & drifting have been awarded on 26.02.2021 and 17.03.2021 respectively.

For diversion of forest land, proposal has been submitted to MoEF&CC on 14.04.2021. Application for Wildlife Clearance has been submitted to MoEF&CC on 27.04.2021.

vi) BARDANG HEP (175 MW):

Project with installed capacity 138 MW was allotted to SJVN by GoHP on 09.08.2019. Template MoU was signed with GoHP on 25.09.2019. Project is in S&I stage and six preliminary chapters have been submitted to CEA on 30.09.2020. 1st consultation meeting was held with CEA on 06.11.2020. After preliminary studies, capacity of project was enhanced to 175 MW from allotted capacity of 138 MW.

The ToR approval has been accorded by MoEF&CC on 26.03.2021. Consultant for EC has been hired and preparation of EIA/EMP report in progress. Work of detailed topographical survey has been awarded on 27.10.2020. Drilling works awarded on 20.07.2021 & drift works are under tendering process.

vii) PURTHI HEP (232 MW):

GoHP allotted this project with installed capacity of 210 MW in Chenab basin to SJVN on 09.08.2019. Template MoU was signed

with GoHP on 25.09.2019. Project is in S&I stage and six preliminary chapters submitted to CEA on 02.09.2020. 1st consultation meeting held on 20.10.2020. Capacity of project enhanced to 232 MW against allotted capacity of 210 MW.

The ToR approval has been accorded by MoEF&CC on 26.03.2021. Consultant for EC has been hired and preparation of EIA/EMP report is in progress. Work of detailed topographical survey has been awarded on 27.10.2020. Drilling works awarded on 20.07.2021 & drift works are under tendering process.

viii) REOLI-DUGLI HEP (430 MW):

GoHP allotted this project with capacity of 430 MW in Chenab basin to SJVN on 23.10.2019. Template MoU signed with GoHP on 06.11.2019. Project is in S&I stage and six Preliminary Chapters submitted to CEA on 17.07.2020 and 1st consultation meeting held on 20.10.2020.

Consent of CEA to submit DPR as per project layout submitted by previous developer M/s L&T has been received on 11.12.2020 and DPR is being prepared accordingly.

ToR approval received from MoEF&CC on 18.03.2021. Consultant for EC has been hired and preparation of EIA/EMP report is in progress. Work of detailed topographical survey awarded on 27.10.2020. Investigation works i.e. drilling works awarded on 20.07.2021.

ix) NEW PROJECTS ALLOTTED IN CHENAB BASIN:

GoHP has allotted three new projects in Chenab basin i.e. Tandri HEP (104 MW), Rashil HEP (130 MW) and Sach Khas HEP (267 MW) on 05.01.2021. Site visit to all three projects was carried out from 12.04.2021 to 14.04.2021. Preparation of preliminary chapters is in progress.

x) LOWER ARUN HEP (679 MW):

Government of Nepal has allotted 679 MW Lower Arun Hydro Electric Project in Nepal to SJVN on 04.02.2021. The project is situated in the Sankhuwasabha and Bhojpur districts of Eastern Nepal on river Arun d/s of existing Arun-3 HEP (900 MW) of SJVN which is already under construction by SAPDC (wholly owned subsidiary of SJVN). The project is envisaged to be constructed in tandem with Arun-3 HEP. MoU signed with IBN, GoN in Kathmandu on 11.07.2021

XI) 75 MW UPNEDA SOLAR POWER PROJECT:

Project was allotted/awarded to SJVN by UPNEDA on 17.05.2021. Hiring of agency for execution of works is under tendering stage.

SOLAR PROJECTS

CHARANKA SOLAR POWER STATION:

SJVN's 5 MW Charanka Solar Power Station has been commissioned on 31.03.2017. The project is located at Charanka Solar Park in Gujarat in an area of about 25.95 acres. The project has been conceived under REC Mechanism and the PPA for brown power has been signed with GUVNL on 03.03.2017. Total 2139 RECs (Renewable Energy Certificates) have been traded in FY 2020-21 (upto July 2020) & on cumulative basis 20307 RECs. The project has generated 7.219 MUs in the FY 2020-21.

WIND POWER PROJECTS

a) KHIRVIRE WIND POWER STATION (47.6 MW), AHMEDNAGAR, MAHARASHTRA

SJVN has set up its first Wind Power Project of 47.6 MW capacity at Khirvire / Kombhalne villages of Ahmednagar district of state of Maharashtra. The Project comprises 56 Wind Energy Generators (WEGs) each of capacity 0.85 MW. The project started generation w.e.f. 20.01.2014, with the commissioning of 1st lot of 25 WEGs and attained full generation capacity by commissioning the last 56th WEG on 20.05.2014. The project has been registered with IREDA for availing of Generation Based Incentive (GBI) @ ₹0.50 / kWh with a cap of ₹1 Crore per MW. Total Gross Generation from the plant for FY 2020-21 was 48.261 MU.



b) SADLA WIND POWER PROJECT (50 MW), SURENDRNAGAR, GUJARAT

SJVN has successfully commissioned its second Wind Power Project of 50 MW capacity, comprising 25 WEGs each of capacity 2 MW at village Sadla, Distt. Surendranagar, Gujarat. The project has been fully commissioned on 18.04.2019. Total 73.750 MU had been generated in FY 2020-21. PPA was signed with Gujarat Urja Vikas Nigam Limited (GUVNL) for 38 MW on 30.01.2018 and for balance 12 MW on 30.03.2019.

FUTURE ENDEAVORS

Hon'ble Prime Minister of India has set an ambitious renewable energy target i.e. 175 GW by 2022 and 450 GW by 2030. Aligned with the same, SJVN also aims to become a 5000 MW company by 2023, 12000 MW by 2030 and 25000 MW by 2040 wherein the renewable portfolio shall be increased manifolds.

SJVN has been continuously looking for opportunities for setting up Solar, Wind, Hybrid, Floating Solar, and Ocean Hybrid Platforms Pan India. These opportunities are generally in the form of Competitive Bidding processes. Recently, SJVN through competitive bidding bagged a 70 MW solar project in Gujarat which is in execution stage. Similarly, SJVN also bagged a 75 MW project in Uttar Pradesh through competitive bidding and the same is likely to come in execution shortly.

SJVN is looking forward for participation in various other upcoming competitive Bidding processes for Solar, Wind and Hybrid (Solar + Wind) to the tune of 2000 MW.

Ministry of New & Renewable Energy (MNRE) under the Ministry of Power has allotted Himachal Pradesh for development of Kaza Solar Park 880 MW under the Ultra Mega Renewable Energy Power Projects (UMREPP) Scheme. SJVN in collaboration with various agencies has already started the preliminary investigation works like identification of Land, Transmission Line survey etc.

SJVN is also collaborating with various other state Governments for exploring the possibility of setting up Solar, Wind, Hybrid, Floating Solar, Ocean Hybrid Projects.

With regard to faster capacity addition, SJVN is actively looking for acquisition of Brownfield projects through direct mode/ NCLT. Few such projects are presently under consideration for acquisition.

TRANSMISSION PROJECTS

Name of Project	Location
Project under Operation	
400 kV, D/C Cross Border Transmission Line (Operated by JV: CPTC)	Muzafarpur to Sursand on Indo Nepal Border
Project under Construction	
400 kV Double Circuit Transmission Line for evacuation of power from 900 MW Arun-3 Project, Nepal to India border. (Executed by Subsidiary: SAPDC)	Diding to Bathnaha on Indo Nepal Border
220 kV Double Circuit Transmission Line for evacuation of power from 60 MW Naitwar Mori Hydro Electric Project (Transmission line is part of Naitwar Mori Hydro Electric Project)	Mori (UK) to Snail(HP)

7. ENVIRONMENT

SJVN is aware of its obligation to conserve and protect the environment. SJVN strictly adheres to all policies and guidelines of the Ministry of Environment, Forest and Climate Change (MoEF&CC), Government of India (GoI) concerning identification and mitigation of environmental impacts of projects. To achieve sustainable development, studies like Environmental Impact Assessment (EIA), Environment Management Plan (EMP), Dam Break Analysis, which are part of the Comprehensive Environmental Impact Assessment Study, are carried out through highly reputed organizations/ consultants. All environmental aspects are suitably addressed in the Environment Impact Assessment & Environment Management Plan reports. Suitable measures are adopted to negate any adverse impact on the environment and ecology during construction and operation stages. Every

care is taken to implement and abide by the laws of the land in respect of the environment and ecological safeguards.

SJVN has two hydro power stations, viz. Nathpa Jhakri and Rampur in Himachal Pradesh which are under operation wherein measures such as Catchment Area Treatment, Compensatory Afforestation, Muck Management, Restoration of muck disposal sites, quarry sites and construction areas, Green belt development, Biodiversity Management, Fisheries Management, etc. were successfully undertaken.

Further, SJVN has one project which is under construction namely, Naitwar Mori HEP located on Tons River in Uttarakhand, wherein ₹ 38.95 Crores have been spent so far against a financial provision of ₹ 32.48 Crores on implementation of various environmental management measures, as briefly brought out below:

- For the implementation of the Catchment Area Treatment (CAT) plan, ₹ 12.96 Crores have been deposited against the CAMPA fund. An amount of about ₹ 140.68 Lakhs has been utilized by Uttarakhand Forest Department for implementation of CAT Plan till date.
- Under the Fishery Management Plan, fish pass on the Naitwar barrage has been proposed for migratory fish species in the river. SJVN has engaged Central Inland Fisheries Research Institute (CIFRI), Barrakpore, West Bengal who has vetted the design parameters for an effective and sustainable fish pass.
- Muck management is being done in line with the approved Muck Management Plan proposed in the EIA / EMP Report and in line with MoEF&CC guidelines.
- As part of the diversion of forest land, Compensatory Afforestation (CA) over 80 ha of civil soyam and forest land has been carried out for which ₹ 1.84 Crores has been deposited with the CAMPA fund. An amount of ₹ 67.74 Lakhs has been spent so far against compensatory afforestation works by the Uttarakhand Forest Department.
- As many as 2000 species of various tree saplings like, Jacaranda, Kachnar, Amla, etc. have been planted in consultation with State Forest Department at appropriate locations in the project area.
- Biodiversity Conservation and Management Plan has been prepared by the State Forest Department, against which an amount of ₹ 43 Lakhs has been deposited with Uttarakhand Forest Department. An amount of about ₹ 22.38 Lakhs has been spent so far against Biodiversity Conservation and Management Plan by the Uttarakhand Forest Department.
- Noise level, ambient air quality and water quality of the project area are being monitored by Pollution Control Research Institute, BHEL at Haridwar. The monitored data shows reportable values below the permissible limits defined by regulatory bodies. Further, all high noise generating equipment have been provided with mufflers as per the manufacturers' specifications.
- Rain water harvesting system along with a 60 KLD sewage water treatment has been setup at project colony.
- Process initiated for procurement of bio composter and plastic waste baling machine for treatment of solid waste of project affected villages and project colony.

In addition to the above, SJVN has made additional endeavours for promoting a sustainable environment. SJVN has put up a grid-connected, 1.3 MW solar power plant at Nathpa Jhakri Hydro Power Station near Wadhral, Shimla District. SJVN is also in the process of augmenting the already commissioned 100 kWp grid-connected rooftop solar power plant at Corporate HQ, Shimla. The building is also equipped with intelligent/ automatic sensor-controlled illumination system for conservation of electricity besides 5000 litre capacity rooftop solar water heater. Furthermore, GRIHA certification has also been applied for the under construction Auditorium-cum-Parking Block at Corporate HQ.

Every year, SJVN celebrates World Environment Day on 5th of June across its projects and offices with much zeal and fervour. This time, celebrations were organized following social-distancing norms and all Government guidelines in respect of COVID-19. Large scale plantation programs were



undertaken across various locations. Pledge for environment protection/conservation and talks on environmental aspects were also delivered by heads of projects / power stations/ offices to spread awareness and sensitivity about environmental issues. In addition to the above, slogan competitions, awareness programmes, drawing competitions, etc. were also undertaken at power stations. Corporate Office organized photography and slogan-writing competition as well as a “Best from waste” competition for its employees wherein all were encouraged towards environmental conservation.

Under the CSR activities, SJVN in collaboration with Himalayan Forest Research Institute (HFRI), Shimla is developing an Arboretum for the conservation of the endangered flora in District Shimla.

8. 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 2020-21 in format prescribed under Companies (CSR Policy) Rules 2014 is annexed as **Annexure-V** and forms an integral part of this Directors' Report.

9. REHABILITATION AND RESETTLEMENT

SJVN, being conscious of its responsibilities towards society, is committed to execute and operate power projects in a socially responsible manner by adopting generous Resettlement & Rehabilitation measures for the benefits of project affected families (PAFs) and by investing in the socio-economic development of communities to continually minimize potential negative impacts as well as to establish the sustainable positive impact of projects on them.

Well before any project is taken up for execution, Social Impact Assessment (SIA) study is carried out to ensure that the potential socio-economic benefits accrued from the project outweigh the likely social costs and adverse social impact. Public consultation meetings with the stakeholders are held by the project authorities to make the local communities aware of developmental facilities to be created in the fields of health, education, sanitation, drinking water, approach roads and other community assets of the project and their benefits to the society. Subsequently, the R&R plan is devised based on conclusive findings derived from the socio-economic survey carried out by an independent expert agency. The R&R plan thus devised and approved essentially prescribes mitigation measures for reconstruction and regeneration of economies of the PAFs.

During the implementation stage of the R&R plan, regular monitoring of R&R activities is conducted through an external independent agency to ensure the timely extension of R&R benefits to the PAFs. Subsequently on completion and implementation of the R&R plan, social impact evaluation is carried out by an independent external agency to assess various tangible and intangible benefits accrued in the area of socio-economic development. To have constant interaction with local people, a Project Information Centre is set up at project level

NJHPS and RHPS: The R&R plans have been successfully implemented in 1500 MW Nathpa Jhakri Hydro Power Station (NJHPS) and 412 MW Rampur Hydro Power Station (RHPS) both located in Himachal Pradesh. Several R&R benefits like employment subject to availability of employment and suitability of the candidates or financial assistance in place of employment to start a tailor-made self-business, land for land, constructed house in rehabilitation colony or house plot with construction assistance or cash package with shifting allowance and shifting house rent, shop plot for shop in market complex, shop in project township, cattle shed grant etc. as per the eligibility have been provided to the PAFs. Land based employment opportunity is encouraged through farm training and non-land based employment opportunity is encouraged through skill development training and financial assistance for self-business. To support the weaker section of the society financial assistance to vulnerable group families is being provided. To promote indirect employment, vehicles required for Project works are hired from PAFs/Locals on preference basis and petty contracts are offered to PAFs/ local contractors on a preference basis. In addition to these benefits, with a view to develop the area infrastructure and community development facilities are provided to the local communities. The infrastructure development work includes construction of village paths, roads, rain shelters, bus stand, Panchayat Bhawan, Community Centers, Mahila Mandal Bhawans, crematorium etc. The community development works includes health, education, safe

drinking water & sanitation etc. The health facility is provided through mobile health van, project hospitals and health awareness campaign. Promotion of education is being done through school infrastructure, scholarship schemes, promotion of sport infrastructure for the students etc. Drinking water facility is being provided through renovation of natural water sources, financial assistance to local health department for laying of water supply schemes (WSS) and laying of sewerage system etc.

The local farmers around RHPS have been adequately compensated for the reduction in crop yield as per the crop compensation policy of the Government of HP. The PAFs are being provided 100 units of free electricity benefit per month for ten years as per the Ministry of Power guidelines. Besides this, funds of ₹ 55.26 Crores have been spent for carrying out various infrastructural development works under the Local Area Development Fund (LADF) policy of GoHP.

NMHEP: The R&R plan is in the execution stage in 60 MW Naitwar Mori Hydro Electric Project (NMHEP), Uttarakhand. Various provisions of R&R Plan i.e. rehabilitation grant, subsistence allowance, widow pension, scholarship to the wards of PAFs, technical education Scheme to the local youth, grant on birth of girl child, grant on marriage of daughter etc. are being implemented through R&R Administrator-cum-ADM Uttarkashi. The Project R&R Grievance Redressal Committee has been constituted under the Chairmanship of R&R Administrator Uttarkashi. As per the recommendations of the Committee, various infrastructural and community development works like construction of community/marriage halls, construction of toilets, installation of solar street lights & solar fencing, infra aids /furniture to the schools, modern agriculture/horticultural equipment to the farmers etc. are being carried out in the project affected villages of NMHEP.

LHEP Stage-I : The land acquisition process by direct negotiations as well as under Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 is under process in LHEP Stage-I 210 MW (HP). The R&R Plan for affected families is under finalization stage by GoHP.

LHEP Stage-II : Acquisition of land for construction of 172 MW LHEP Stage-II under Section 8(2) of RFCTLARR Act, 2013 on 29.12.2020 is under process. Award for SIA study is under process.

SDHEP: Land Acquisition process under Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement Act, 2013 has been initiated for Sunni Dam Hydro Electric Project (382 MW) and after approval and publication of SIA Study, the notification under section 11(1) for acquisition of private land has been published in H.P Gazette on 19.02.2021 by Government of Himachal Pradesh. The Census for preparation of R&R Scheme by state Government is underway and will be completed soon in both Districts i.e. Shimla and Mandi of Himachal Pradesh.

DSHEP: For 66 MW Dhulasidh Hydro Electric Project, HP, the R&R Plan has been approved by GoHP. The entitlements of the eligible PAFs for the R&R benefits are being evaluated through a committee consisting of members from HPPWD & Revenue Deptt. of GoHP.

BTTP: In 1320 MW Buxar Thermal Power Project (BTTP) in Bihar, the acquisition of private land was made as per Land Acquisition Act, 1894, whereas, as decided by Bihar Government the compensation has been paid as per the provision under RFCTLARR Act, 2013. Acquisition of additional private land required for the project is being carried out under RFCTLARR Act, 2013. The draft R&R Plan of BTTP has been submitted to Bihar Government for approval, which is awaited.

JSHEP: In 44 MW Jakhol Sankri Hydro Electric Project (JSHEP) Uttarakhand, the Land acquisition as per RFCTLARR Act, 2013 is under process. The SIA report has been prepared and approved by Uttarakhand Government. The R&R plan for Project Affected Families (PAFs) has been prepared by District administration in line with RFCTLARR Act, 2013 and submitted for approval of Commissioner (Garhwal) Government of Uttarakhand.

DHEP: In Devsari Hydro Electric Project (DHEP) 252 MW, Uttarakhand, the land acquisition process under RFCTLARR Act, 2013 is in progress. The R&R plan for Project Affected Families (PAFs) has been prepared in line with RFCTLARR Act, 2013 and recommendations of Environmental Expert Appraisal Committee (EAC) of Ministry of Environment, Forest and Climate Change, Government of India. The Government of Uttarakhand has also



approved the R&R Plan and has declared the Award for 27.462 hectares of Private land. State Administration is collecting the details of individual beneficiaries like Adhaar Card, Bank Account details etc. for disbursement of land compensation amount amongst landowners are being collected by GoUK.

SIE: The Social Impact Evaluation (SIE) studies of R&R implementation in NJHPS and RHPS were carried out by the Agriculture Economic Research Centre (AERC) of Himachal Pradesh University. The reports reveal that R&R implementation in the project affected areas has substantially enhanced the socio-economic standard of the local population on various development parameters like economy, health, education etc.

The World Bank Mission has monitored the R&R activities carried out in NJHPS from time to time and has appreciated the efforts made for rehabilitation of the PAFs as under:

“The success of the resettlement activity undertaken in this project is quite rare for India, and can be considered as one of the best examples of resettlement implementation in bank assisted projects in India. It should be considered as an example for other projects.”

10. RESEARCH AND DEVELOPMENT

SJVN has always been dedicated towards Research and Development, Innovation, Technology up-gradation, and Product Development in its core area of Power Generation along with R&D strategy that has the necessary clarity, agility, and conviction to realise the organization’s aspirations.

R&D carried out during FY 2020-21:

MOU signed with IIT Mandi – MOU has been signed with IIT Mandi on 19.06.2020 for the establishment of SJVN Chair for a period of six years for R&D in the field of Hydro Power.

Further specific topics for R&D are being discussed to be taken during next year or during 6 year period of SJVN Chair at IIT Mandi.

11. HUMAN RESOURCES

The total manpower on the rolls of SJVN (Direct Recruits and Absorbed employees) as on 31.03.2021 was 1423 and the strength of HPSEB / HP Government employees on deputation on the above date was 76.

Representation of Women Employees is as under:

Group	Total Employees as on 31.03.2021	Number of Women employees	Percentage of overall staff strength
SJVN (DR + absorbed)	1423	149	10.47
SJVN (Deputationists)	76	6	7.89
Total	1499	155	10.34

Representation of Persons with Disabilities (PWDs) is as under:

Group	Total Employees as on 31.03.2021	Physically Challenged Employees				Percentage of Physically challenged employees
		VH	HH	OH	Total	
Total	1423	07	07	16	30	2.11

Representation of SCs/STs/OBCs/Minorities Employees is as under:

Group	Total Employees as on 31.03.2021	Representation					
		SCs	SC%	STs	ST%	OBC	OBC%
Total	1423	292	20.52	93	6.54	190	13.35

SJVN is committed to continuous growth and development, and gives utmost importance to the enrichment of employee skills and knowledge.

In-house, Online and External training program are organized in all disciplines and at all the levels in SJVN. In spite of the challenges posed by COVID-19, during the financial year 2020-21, 108 Online programs, 25 In-house programs and 03 External programs were conducted for which 3101 nominations were made. The trainings were imparted through organizations

of national repute like NEPTEL, Rock Science South Asia, ASCI, IITs, CBIP, and Tunneling Association of India. The programs were conducted on topics like Companies Act, 2013 and Corporate Governance, Conflict Management, Enterprise Risk Management, Advance O&M practice in Super Critical Thermal Power Plant, AutoCAD, 3 DS Max, Power System Protection and Coordination, Environment Management and Sustainability, TLC/TCS/SCADA for Power Plant Operations, Primavera P6, Effective Parenting Techniques, Planning for retirement, Effective Communication and Presentation, Netiquettes, 5S & Kaizen and Gender Sensitivity etc., to mention a few.

Also to effectively percolate the Shared Vision and motivate employees to achieve “5000 MW by 2023, 12000 MW by 2030 and 25000 MW by 2040” two motivational talks by renowned Motivational Speakers were also organized.

12. 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 function on different occasions were also held, thus, resulting in better employee-employer relations and cordial industrial relations were maintained during the year.

13. STATUTORY AND OTHER INFORMATIONS

The information required to be furnished as per the Companies Act 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, 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 Practicing Company Secretary on Corporate Governance Compliance– **Annexure – III**
- Information on Conservation of Energy, Technology Absorption and Foreign Exchange earnings and out go – **Annexure – IV**
- Annual Report on Corporate Social Responsibility & Sustainability – **Annexure – V**
- Business Responsibility Report – **Annexure – VI**
- Certificate regarding Non-Disqualification of Directors – **Annexure - VII**
- Secretarial Audit Report – **Annexure – VIII**
- Management’s Replies to the observations of Secretarial Auditor – **Annexure -IX.**
- Form No. AOC-2 – **Annexure – XVI**

14. DIRECTORS’ RESPONSIBILITY STATEMENT

The Directors’ state that:

- In the preparation of the annual accounts for the year ended March 31, 2021, 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, 2021 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; and
- 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.

15. DECLARATION OF INDEPENDENCE

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

16. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards during the Financial Year ending 31.03.2021.

17. 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 2020-21:-

No. of complaints received in 2020-21	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	03*
Nature of action taken by the employer or District Officer	Nil

* Includes one Orientation Programme for ICC members as per the POSH Act

18. SECRETARIAL AUDIT

The Board appointed M/s SGS Associates, PCS, to conduct Secretarial Audit for the Financial Year 2020-21. The Report of the Secretarial Auditors for the year ended 31.03.2021 is placed at **Annexure-VIII**. Reply of Management to observations of Secretarial Auditor is placed at **Annexure-IX**.

19. STATUTORY AUDIT

M/s A P R A & Associates LLP, Chartered Accountants, were appointed by Comptroller & Auditor General as Statutory Auditors of the Company for the financial year 2020-21.

The Report of the Statutory Auditors to the Members on the Standalone and Consolidated Accounts for the year ended 31.03.2021 is placed at **Annexure-X** and **Annexure-XII** respectively. Reply of Management to observations of Statutory Auditor on Internal Financial Control on the Standalone and Consolidated Accounts are placed at **Annexure-XI** and **Annexure-XIII** respectively. Observations/ Comments of the Comptroller and Auditor General (C&AG) of India on the Standalone and Consolidated Accounts for the year ended 31.03.2021 are placed at **Annexure-XIV** and **Annexure-XV** respectively. Comments of C&AG being NIL the reply by the Management thereto is not applicable.

20. ANNUAL RETURN

The Annual Return in Form MGT-7 as required under Section 92(3) of the Companies Act, 2013 can be accessed at Investor Relation Section on SJVN website www.sjvn.nic.in.

21. 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 2020-21. The Cost Audit Report for the year ended 31st March 2020 was filed with MCA on 30.10.2020

22. INTERNAL FINANCIAL CONTROL SYSTEM

Internal controls are the mechanisms, rules and procedures implemented by

a company to ensure the integrity of financial and accounting information, promote accountability and prevent fraud. Financial controls are process, policies and procedures that are implemented to manage finances.

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

The company has sufficient internal control over financial reporting to ensure assurance regarding the reliability of financial reporting and in the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

In order to ensure adequacy of internal control system, internal audit is conducted by the independent Chartered Accountants firms in close coordination with company's own Internal Audit Department. The Internal Audit process includes review and evaluation of effectiveness of existing processes, controls, and compliances. It also ensures adherence to rules, procedures, policies and systems and mitigation of the operational risks perceived for each area under audit.

It is also informed that significant Audit observations and Action Taken Reports are placed before the Audit Committee headed by Independent Director. The recommendation and directions of the Audit Committee are carried out and complied with.

23. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Indian Accounting Standard (Ind AS)-110 on Consolidated Financial Statements read with Ind AS-111 on Joint Agreements and Ind AS-112 on Disclosure of Interest in other entities, the Audited Consolidated Financial Statements are provided in the Annual Report.

24. BOARD OF DIRECTORS

During the FY 2020-21, the following changes took place in the composition of the Board of Directors of the Company:-

- Shri Tanmay Kumar, Joint Secretary (Hydro), Ministry of Power was appointed as Part-Time Official Director (GoI Nominee) in place of Shri Aniruddha Kumar w.e.f. 11th June 2020.
- Shri Rakesh Kumar Bansal ceased to be Whole Time Director (Electrical), of the Company on 31st July 2020 on reaching age of superannuation.
- Shri Sushil Sharma was appointed as Whole time Director (Electrical) of the Company w.e.f. 1st August 2020.

The following changes took place during the current financial year 2021-22 till the date of the Director's Report:

- Shri Ram Subhag Singh, Additional Chief Secretary (MPP & Power), ceased as Part-Time Official Director (GoHP Nominee) on withdrawal of Nomination by appointing authority w.e.f. 02nd June 2021.
- Shri Ram Dass Dhiman, Additional Chief Secretary (MPP & Power) was appointed as Part-Time Official Director (GoHP Nominee) w.e.f. 22nd June 2021

None of the Directors are inter-se related to each other.

The Board Meetings held during the Financial Year 2020-21 and the attendance of the Directors therein is mentioned in the Report on Corporate Governance.

25. BOARD LEVEL COMMITTEES

The composition of the Statutory Committees required to be constituted as per the Companies Act 2013 and the SEBI Listing Regulations and the meetings held therein are mentioned in the Corporate Governance Report.

26. KEY MANAGERIAL PERSONNEL

In compliance with Section 203 of the Companies Act, 2013, following have been designated as Key Managerial Personnel:-



1. Shri Nand Lal Sharma, Chairman & Managing Director
2. Shri Akhileshwar Singh, Director (Finance) & Chief Financial Officer
3. Shri Soumendra Das, Company Secretary

27. IMPLEMENTATION OF OFFICIAL LANGUAGE

In order to ensure the implementation of the Official Language Policy of the Government of India, all possible efforts have been made by the company to achieve the targets as specified by the Department of Official Language.

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, number of incentive schemes are under implementation namely Payment of increment of three months during the year, for doing his/her whole office work in Hindi and during the year and under this scheme a total 184 Employees/ Officers were awarded cash prizes amounting ₹ 9,80,110/- (Approx.).

8 Hindi workshops/seminars have been organised and 120 no. of executives and non-executives have been trained. Organising of Hindi quiz competitions on national/important occasions and other competitions (i.e. Nibhand (Essay writing), Kahani, Noting-drafting, Shabdarth gyan, Sulekh & Vichar Abhivyakti competition is a regular feature and besides this number of competitions were also organised during "Hindi fortnight". In these competitions 165 no. of employees were awarded cash prizes amounting to ₹ 2,23,000/-.

Parliamentary Committee on Official Language inspected the progress of use of Hindi at the Expediting Office, New Delhi on 11th December, 2020 and expressed its satisfaction over the progress made in this regard.

The Officials from Corporate Headquarter inspected the progress of use of Hindi at Expediting Office, New Delhi, Nathpa Jhakri Power Station, Jhakri & Rampur Hydro Power Station, Bayal during the year under review and expressed its satisfaction about the progress made in this regard.

Half yearly meetings of the Town Official Language Implementation Committee, Shimla (Office-2) constituted for the CPSUs & Banks etc. were held on 21.07.2020 & 16.12.2020.

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, 82.51% of amount was spent on purchase of Hindi books.

28. AWARDS & ACHIEVEMENTS

During the Financial year 2020-21, your Company & Directors received commendation for work in the form of various Awards and Accolades as under:-

1. **March 8, 2021:** SJVN has been conferred with CIDC Vishwakarma Award 2021 in the category of CORONA Warriors.
2. **February 20, 2021:** Sh. Nand Lal Sharma, Chairman & Managing Director, SJVN has been conferred with Life Time Achievement award by Indian Concrete Institute (ICI) during Concrete Day & Construction Excellence Awards 2020 organized by Indian Concrete Institute (ICI).
3. **December 31, 2020:** SJVN has been conferred with SCOPE Meritorious Award for Corporate Social Responsibility & Responsiveness. This award has been conferred upon SJVN for its outstanding contribution and initiatives in Health & Hygiene, Education & Skill development, Infrastructural development, and Sustainable development under its Corporate Social Responsibility. An eminent jury under the Chairmanship of Justice R.C. Lahoti, former Chief Justice of India finalized the Awards.
4. **June 20, 2020:** The Corporate Head Quarter Premises of SJVN, 'Shakti Sadan' Shanan, Shimla has been adjudged First in the State Environment Leadership Award 2019-20 in the category of Office Premises. The Award was presented by Sh. Jairam Thakur, Hon'ble Chief Minister of Himachal Pradesh to Shri Nand Lal Sharma, Chairman

& Managing Director, SJVN in a function held at Shimla. In the same category Office of 1500 MW Nathpa Jhakri Hydro Power Station bagged the consolation prize.

29. OTHER MAJOR DEVELOPMENTS

1. **March 17, 2021:** Agreement for Term Loan of ₹ 8,448.46 Crores for 1320 MW Buxar Thermal Power Project at Chausa in Buxar district of Bihar being executed by SJVN Thermal Pvt. Limited (STPL), a wholly owned subsidiary of SJVN was inked between STPL and the consortium of lending Banks & Financial Institution (FI) which included State Bank of India, Canara Bank and IIFCL.
2. **March 9, 2021:** Kholongchhu Hydro Energy Ltd. signed an MOU with PFC - REC consortium for financing of 600 MW Kholongchhu Hydro Electric Project in Bhutan to the tune of INR 4,058 crores.
3. **December 24, 2020:** Government of Himachal Pradesh allotted Three Hydro Projects - 104 MW Tandi, 130 MW Rashil and 267 MW Sach Khas Hydro Electric Projects on the Chenab Basin in Himachal Pradesh to SJVN.
4. **December 7, 2020:** SJVN signed MoU with Indian Renewable Energy Development Agency Ltd. (IREDA) for providing its services to SJVN for Green Energy projects. IREDA will undertake Techno-Financial due diligence of Renewable Energy, Energy Efficiency & Conservation Projects for SJVN. Under the MoU, IREDA will also assist SJVN in developing an action plan to create and acquire Renewable Energy projects for the next 5 years.
5. **December 11, 2020:** SJVN joined International Solar Alliance (ISA) as Corporate Member. This prestigious membership will provide SJVN a global platform to garner cooperation amongst member countries to enhance the use of Solar Energy in a safe, convenient, affordable, equitable and sustainable manner.
6. **November 04, 2020:** Cabinet Committee on Economic Affairs (CCEA), chaired by Hon'ble Prime Minister Shri Narendra Modi has approved the investment of ₹ 1,810.56 Crores for 210 MW Luhri Stage-1 Hydro Electric Project of SJVN, being developed on river Satluj in Shimla & Kullu districts of Himachal Pradesh. This includes budgetary support of ₹ 66.19 Crores from Govt of India for enabling infrastructure which has helped in reducing power tariff.
7. **October 01, 2020:** The investment proposal of ₹ 687 Crores has been approved by Government of India for 66-Megawatt Dhaulasidh Hydro Electric Project. This includes budgetary support of ₹ 21.6 Crores from Govt of India for enabling infrastructure.
8. **August 17, 2020:** SJVN Bagged 100 MW Solar Power Project in Dholera Solar Park through E-Reverse Auction @ INR 2.80/Unit. SJVN bagged the quoted capacity of 100 MW @ INR 2.80/Unit on Build Own and Operate (BOO) basis.
9. **June 29, 2020:** Kholongchhu Hydro Electric Limited (KHEL) signed a Concession Agreement (CA) with Ministry of Economic Affairs, Royal Government of Bhutan. With signing of this agreement, the issue of Power sale agreement between JV partners stands resolved which also bears the consent of both the Governments (India & Bhutan).

30. 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 2.6 and 2.14 to standalone financial statements
Investments made	Refer Note 2.5 to standalone financial statements
Guarantees given	Nil
Securities provided	Nil



31. 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. The company has not made any buyback of shares during the year under review.

32. 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, 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



(Nand Lal Sharma)
Chairman and Managing Director
DIN: 03495554

Date : 14th August 2021
Place : Shimla



MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry Overview / Industry Structure and Developments

All India installed power generation capacity as on 31.03.2021 was 3,82,151.22 MW. A capacity addition of 11,101.15 MW was targeted during the year 2020-21 comprising 10,591.15 MW of thermal and 510 MW of hydro power and capacity addition of 5,436.15 MW comprising 4,926.15 MW of thermal and 510 MW of hydro power was achieved up to 31.03.2021.

Industry scenario indicates that there is ample opportunity for consistent growth of business in hydro, renewable and thermal energy sector in the times to come with growth in demand. Company is developing 1320 MW super-critical thermal power project at Chausa, District Buxar in Bihar, 900 MW Arun-3 HEP in Nepal, 60 MW Naitwar Mori HEP in Uttarakhand, 600 MW Kholongchhu HEP in Bhutan, 210 MW Luhri Stage-I HEP and 66 MW Dhaulasidh HEP in Himachal Pradesh.

As regards hydro potential, India has an estimated hydro power potential of about 1,50,000 MW out of which only about 46,209.22 MW (as on 31.03.2021) has been commissioned. The bulk of the unharnessed potential is located in the hill states/UTs of Arunachal Pradesh, Uttarakhand, Himachal Pradesh, Sikkim and Jammu & Kashmir. The above industry scenario signifies that there is ample opportunity for consistent growth of business in hydro sector in near future.

2. SWOT Analysis

A. STRENGTHS:

SJVN has the following strengths:

- SJVN has gained wide experience and expertise in development of large hydro power projects from concept to commissioning including operation & maintenance and management of silt during project operation. SJVN has in-house 'State of art' hard coating facility installed at one of the power stations.
- SJVN has in-house capability for complete design of mega hydro power projects, large value contract award, and contract & project management.
- SJVN has efficient plant operation expertise with minimal down time of machines and maximizing the Plant Availability Factor.
- SJVN has stable revenue stream through long term power purchase agreements with distribution licensees. The allocation of power from its power stations is made as per PPAs and by the Ministry of Power, Government of India.
- Historical financial performance and steady cash flows over the years make SJVN capable of funding the pipeline of projects.
- SJVN is lean and thin organization – high manpower productivity in terms of profit per employee.
- SJVN has competent and committed workforce. SJVN fully recognize that the contribution of its employees is integral to the achievement of its ambitious plans and has thus adopted an organizational philosophy which acknowledges and rewards their contributions.
- SJVN has effective implementation of National R&R policies and excellence in CSR activities.
- SJVN has dynamic leadership and effective Corporate Governance.

B. OPPORTUNITIES:

- The unharnessed hydro potential of 1,03,791 MW (as on 31.03.2021) primarily located in the hill states/UTs of Arunachal Pradesh, Uttarakhand, Himachal Pradesh, Sikkim and Jammu & Kashmir.

- SJVN is diversifying into alternate energy sources such as Wind & Solar Energy and Power Transmission. SJVN is constantly striving to expand its base both in National and International arena.

C. WEAKNESSES:

- NJHPS and RHPS are cascade schemes and operating in tandem. Any difficulties faced in the operation of NJHPS will have direct consequences on power generation of RHPS.
- Inadequate powers to incur expenditure on pre-construction activities and business developments / investment before establishing project viability.

D. THREATS:

- Most of the hydro-electric projects are located in remote locations and are prone to natural calamities such as cloud burst, land slide, road block etc. These natural calamities also contribute to delays, unforeseen events.
- Stringent norms and cumbersome procedures for getting environment clearance, forest clearance and clearance from National Board for Wild Life (where ever applicable) delay the commencement of construction of projects.
- In spite of extensive survey and investigations, the probability of geological surprises in various components of hydroelectric projects in young Himalayan ranges pose great technical challenge involving extremely cost intensive and time consuming measures.
- Increase in cost of land after introduction of new Land Acquisition Act is making hydro power projects more cost intensive and thus higher tariff.
- With the tariffs of solar and wind power projects going down, development of hydro power projects, which is the core strength of SJVN, is becoming increasingly less viable.

3. OUTLOOK

Measures adopted by SJVN in Operation and Maintenance of 1500 MW NJHPS and 412 MW RHPS have improved our capability in efficient Operation and Maintenance of Power Stations.

4. RISKS AND CONCERNS

Hydro Power Projects are capital intensive and have long gestation period. The rising cost of Hydro Projects on account of land compensation and delays leads to higher power tariff and has resulted into shift of emphasis from Hydro to cheaper alternate energy sources. Water being a state subject, obligation of free power and other incentives to State Governments is leading to higher tariff.

Risk Management Policy of SJVN was approved by the Board on September 12, 2013. The 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 identify all the business related activities followed by activity related potential risks followed by identification of various triggers and other factors associated with risks and their mitigation measures to overcome them with minimum effect to business.

The Risk Management Policy has been disclosed on the website of the company and may be accessed at Investor Relation Section on SJVN website www.sjvn.nic.in

5. RISK MANAGEMENT FRAMEWORK

The risk management framework entails formulation of a Risk Matrix to assign the likelihood of occurrence to the assigned risks along with definition of nature of risk viz., controllable, uncontrollable and partly controllable, suggesting mitigation mechanism and lead responsibility



centre. The risk management policy has a defined Risk Organization Structure with Chief Risk Officer at the helm supported by Risk Controller along with Risk Managers and Risk Officers performing the line functions.

The Risk Management Strategy includes assessment of risk to designate as falling under Avoidance, Transfer, Reduction or Retention with associated action plan.

FINANCIAL DISCUSSION AND ANALYSIS

A detailed financial discussion and analysis is furnished below on the Audited Financial Statements of the company for the financial year 2020-21 vis-à-vis financial year 2019-20.

Notes referred in below paragraphs are part of the Standalone financial statements for the financial year 2020-21 placed elsewhere in this report.

During the year, the Company has retrospectively restated/reclassified certain items in the Financial Statements of the previous periods. Accordingly, company has restated its Balance Sheet as at 31st March 2020 and 1st April 2019 (beginning of the preceding period) and Statement of Profit and Loss and Statement of Cash Flows for the year ended 31st March 2020 to comply with the requirement of the applicable Accounting Standards i.e. Ind AS 8 and Ind AS 1 impact of the same has been disclosed in Note No 2.41 & 2.42.

Figures of previous years have been regrouped/ rearranged wherever necessary.

A. RESULTS OF OPERATIONS

1. INCOME:

	F.Y. 2020-21	F.Y. 2019-20
Units of Electricity Generated (Million Units)	9223.49	9678.15
INCOME	Rupees in Crore	
1. Revenue from Operations		
a) Energy Sales	2448.07	2419.79
b) Consultancy Income	5.44	11.22
c) Other Operating Revenues	37.32	276.60
Total Revenue from Operations	2490.83	2707.61
2. Other Income		
a) Interest		
- On deposits ,advances to employees, contractors and Others etc.	123.92	230.43
b) Late Payment Surcharge from Beneficiaries	584.16	107.29
c) Others	14.16	49.91
Total Other Income	722.24	387.63
Total Income	3213.07	3095.24

The income of the Company comprises of income from sale of electricity, interest & late payment surcharge received from beneficiaries, consultancy, interest earned on investment of surplus funds etc. The gross income for financial year 2020- 21 is ₹3213.07 crore as compared to ₹3095.24 crore in the previous year registering an increase of 3.81%. The increase in gross income is mainly due to increase in Late Payment Surcharge from Beneficiaries by ₹476.87 crore after amendment to regulation 59 of CERC notification dated 19.02.2021 .

Tariff for computation of sale of energy

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, 2019 containing inter-alia the terms & conditions for determination of tariff, applicable for a period of five years with effect from 01.04.2019. 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 effective income tax rate of the respective financial year so as to recover the income tax incidence. 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 as well as incentive by way of deviation charges where the Power Station of the Company contribute towards maintaining grid stability. 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 Nathpa Jhakri Hydro Power Station (NJHPS) and 85% for Rampur Hydro Power Station (RHPS) for the F.Y. 2021. Company is entitled to receive incentives for achieving higher Plant Availability Factor against NAPAF. The sales also include reimbursement on account of Foreign Exchange Rate Variation (FERV).

Revenue from operations also includes sale of power from Wind and Solar Power projects situated in the States of Maharastra and Gujarat. The rates of sale of energy is regulated as per Power Purchase Agreement (PPA) signed with the respective state government utilities.

Revenue from Operations (Note 2.31)

Energy Sales

Company sells electricity to bulk customers comprising mainly, Electricity Utilities owned by State Governments and private distribution companies. Sale of electricity is generally based on long term Power Purchase Agreements (PPAs) entered with such Utilities. Sales for the financial year 2020-21 have been provisionally recognized at ₹2448.07 crore as compared to ₹2419.79 crore during the financial year 2019- 20.

Energy sales include an amount of ₹56.35 crore (previous year ₹8.52 crore) pertaining to earlier years.

Pending approval of tariff by CERC, sales for the year in respect of hydro power stations have been recognized in accordance with the tariff approved and applicable as on 31.03.2019 as provided in the CERC (Terms and Conditions of Tariff) Regulations 2019.

Sales includes an amount of ₹191.85 crore (previous year ₹192.80 crore) on account of capacity incentive in respect of hydro power stations mainly due to achievement of higher plant availability factor as compared to Normative Plant Availability Factor. Gross Annual Generation for the current year was lower as compared to previous year due to decrease in water discharge.

As per the directions of the Govt., Company has given one-time rebate of ₹ 57.82 crore to the DISCOMs and Power Departments of States/Union Territories. Accordingly rebate amounting to ₹ 51.73 crore (previous year ₹6.09 crore) has been recognised as an exceptional item.

The details of Generation & Plant Availability Factor (PAF) are given below:

Particulars	NJHPS		RHPS	
	2020-21	2019-20	2020-21	2019-20
Design Energy (MUs)	6612	6612	1878	1878
Gross Generation (MUs)	7098.93	7445.43	1995.33	2098.03
Normative PAF (%)	90	90	85	85
Actual PAF (%)	105.38	105.48	104.80	104.88

Sales also includes Unscheduled Interchange (UI) Charges amounting to ₹28.14 crore (previous year ₹16.55 crore) for the positive deviation in generation with respect to schedule, (payable or receivable) at rates notified by CERC from time to time.

Revenue from Wind/Solar Power Projects:

The revenue from sale of power from Renewal Projects (Wind and Solar Power) has decreased by ₹2.22 crore due to decrease in generation of Wind and Solar Power by 5.46 MUs (current year 129.23 MUs) (Previous year: 134.69 MUs).



Consultancy

Revenue from operations also includes an amount of ₹5.44 crore (Previous Year ₹11.22 crore) towards consultancy charges. Consultancy for the year was provided to SJVN Arun-3 Power Development Company Pvt. Ltd. (SAPDC), Nepal. During the previous year consultancy was also provided to Teesta Urja Limited in addition to SAPDC, Nepal.

Other Operating Revenue:

Other Operating Revenue mainly includes Interest from beneficiaries. CERC regulations provide that if the tariff already recovered is less than the tariff approved by the CERC, the company shall recover the balance amount along with interest from the beneficiaries.

Accordingly, the interest from the beneficiaries amounting to ₹34.70 crore (previous year: ₹275.57 crore) has been recognised after the truing up/finalisation of tariff by CERC.

Revenue from operations for F.Y. 2020-21 constitutes 77.52% of total income as compared to 87.48% for F.Y. 2019-20.

Other Income (Note 2.32)

Other income mainly comprises of interest income on short term deposits with banks, late payment surcharge, interest from employees and contractors etc. Other income for the year has increased by ₹334.61 crore to ₹722.24 crore as compared to ₹387.63 crore during previous year registering an increase of 86.32%. This is mainly on account of increase in late payment surcharge from beneficiaries by ₹476.87 crore amounting to ₹584.16 crore (Previous year ₹107.29 crore) partly offset by decrease in interest income. Decrease in interest income by ₹91.37 crore (current year ₹113.48 crore & previous year ₹204.85 crore) is due to reduction in corpus of surplus funds and interest rates.

Major components of other income is as under:

(₹ in Crore)

Income	Financial Year 2020-21	Financial Year 2019-20
Interest from Banks	113.48	204.85
Late Payment Surcharge from Beneficiaries	584.16	107.29
Other Miscellaneous Income (Including Liquidated Damages , excess provision/ sundry credit balances written back, receipt of maintenance of ICF, Interest from Employees, Contractors, Others and foreign currency fluctuation adjustment)	24.60	75.49
Total Income	722.24	387.63

2. EXPENDITURE

(₹ in Crore)

Expenditure	Financial Year 2020-21	Financial Year 2019-20
Employee Benefits Expense (Note 2.33)	320.55	307.68
Finance Costs (Note 2.34)	(2.85)	268.07
Depreciation and Amortisation (Note 2.35)	393.27	384.09
Other Expenses (Note 2.36)	368.82	362.89
Total Expenditure	1079.79	1322.73

The total expenditure of the Company has decreased by 18.37% to ₹1079.79 crore in the financial year 2020-21 from ₹1322.73 crore in financial year 2019-20 mainly on account of decrease in finance cost by ₹270.92 crore. Total expenditure as percentage of total income during the F.Y. 2020-21 was 33.61% as compared to 42.73% during the F.Y. 2019-20.

Employee Benefits Expense

The Employee Benefits Expense includes Salaries and Wages, Allowances,

Incentives, Contribution to Provident & Other Funds and Welfare Expenses. These Expenses accounted for 29.69 % of total expenditure in F.Y. 2020-21 as compared to 23.26 % in F.Y. 2019-20.

The Employee Benefits Expense during the year was ₹320.55 crore (previous year ₹307.68 crore) i.e. marginal increase of ₹12.87 crore in comparison to the previous year.

Finance Costs

The Finance Cost mainly consists of interest on Rupee Term Loans, Foreign Currency Loans, and Guarantee Fees etc. The borrowings are denominated in rupees, including those in foreign currencies, for accounting purposes. During the current financial year, finance costs decreased by ₹270.92 crore (current year ₹(2.85) crore, previous year ₹268.07 crore). This is mainly due to decrease of Exchange Rate as on 31.03.2021 on foreign currency loans (decrease in foreign currency rate from ₹76.20 (31.03.2020) to ₹73.91 (31.03.2021)). However, there is no impact on the profitability as the same has been accounted for as movement in regulatory deferral account balance. Interest on foreign/domestic borrowings also decreased by ₹41.16 crore (current year ₹27.88 crore & previous year ₹69.04 crore) due to decrease in rates of foreign currency borrowings and swapping of domestic loan by lower interest bearing loan.

Depreciation and Amortisation Expenses

As per the Accounting Policy of the Company, depreciation is charged on assets of operating units on straight line method following the rates & methodology notified by Central Electricity Regulatory Commission (CERC) for the purpose of fixation of tariff in accordance with Schedule-II of the Companies Act, 2013. Depreciation on assets other than operating units of the company is charged to the extent 90% of the cost of the asset following the rates notified by CERC for fixation of tariff except for some items for which depreciation is charged at the rates assessed by the company.

The depreciation cost has marginally increased by ₹ 9.18 crore (C.Y. ₹393.27 crore; P.Y. ₹384.09 crore). This is mainly due to charging of depreciation on additional assets capitalized during the year.

Depreciation represents 36.42% of our total expenditure during F.Y. 2020- 21 in comparison to 29.04% during F.Y. 2019-20.

Other Expenses

Other Expenses comprises mainly of Repair & Maintenance of Buildings, Roads, Electromechanical works and Plant & Machinery, Insurance, Security, CSR Expenses, interest of arbitration awards, interest payable to beneficiaries and other administrative expenses.

Other Expenses represents 34.16% of total expenditure during F.Y. 2020-21 in comparison to 27.43% during F.Y. 2019-20. In absolute terms the expenses were ₹368.82 crore in F.Y. 2020-21 as compared to ₹362.89 crore during previous year. This is marginally higher by ₹5.93 crore as compared to previous year. The increase is mainly due to additional provision of interest on arbitration awards.

Exceptional Items (Note 2.37)

During the year an arbitration award has been received in respect of Nathpa Jhakri Hydro Power Station (NJHPS). The company has filed an appeal before the Hon'ble High Court against the award. However, a provision has been made as per the policy of the company and an amount of ₹166.06 crore including interest during construction period has been capitalized. Interest after construction period on this award has been charged to profit & loss as exceptional item and other expenses amounting to ₹241.71 crore and ₹16.11 crore respectively. During the year ,the company has also given a special rebate of ₹51.73 crore (previous year ₹6.09 crore) to the beneficiaries in line with the directions of Gol and the same has been recognized as an exceptional item.

Nef Movement in Regulatory Deferral Account Balance (Note 2.38)

The company is mainly engaged in generation and sale of electricity. The price to be charged by the company for electricity sold from hydro power projects to its customers is determined by the CERC which provides guidance on the principles and methodologies for determination of the



tariff. The tariff is based on allowable costs like interest, depreciation, operation & maintenance expenses, etc. with a stipulated return on equity.

As per the CERC Tariff regulations any gain or loss on account of exchange rate variation during the construction period shall form part of the capital cost till the declaration of commercial operation date. Exchange differences arising from settlement/translation of monetary item denominated in foreign currency to the extent recoverable from or payable to beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized on an undiscounted basis as regulatory deferral account debit/credit balance and adjusted from the year in which the same becomes recoverable from or payable to the beneficiaries. The same is accounted for as per Ind AS 114- 'Regulatory Deferral Accounts.

Accordingly, an amount of ₹(86.77) crore (Previous year ₹150.94 crore has been accounted as FERV and debited to Regulatory Deferred Account Debit Balance.

Pay of employees of CPSEs has been revised from 1st January, 2017. CERC Tariff regulations 2014-19 provides that the impact of actual increase in employee cost on account of pay revision of operational power stations is recoverable from beneficiaries in future through Tariff. Accordingly, additional expenditure on employee benefit on pay revision to the extent charged to the Statement of Profit & Loss or to the Other Comprehensive Income and recoverable from beneficiaries in subsequent periods as per Tariff Regulations amounting to ₹43.13 crore (Previous year ₹42.00 crore) has been recognized as Regulatory Income.

During the year, the company has received an arbitration award in respect of Nathpa Jhakri Hydro Power Station (NJHPS). Accordingly the principal amount of award including Interest during construction period has been capitalized and interest after construction period on this award has been charged to profit & loss. The interest charged to profit & loss has been included in movement in regulatory deferral account balance as the same is recoverable from beneficiaries through tariff in future.

O&M expenses excluding security expenses are fixed by CERC in tariff regulations 2019-24. Accordingly, the difference in O&M expenses including security expenses allowed by CERC for the period 2019-20 and 2020-21 amounting to ₹114.65 crore has been accounted for as movement in regulatory deferral account balance.

Accordingly, for the financial year 2020-21 the regulatory income recognized in the statement of Profit and Loss on account of FERV, employee benefits expense, O&M expenses and interest on arbitration awards together amount to ₹328.83 crore (Previous year ₹192.94 crore).

3. PROFIT BEFORE TAX

Profit before tax increased by 10.68 % to ₹2168.67 crore during F.Y. 2020-21 as against ₹1959.36 crore during previous year due to the reasons explained above.

4. TAX EXPENSES:

Current Tax Expense

The Company recognises tax on income in accordance with provisions of Income Tax Act. During the year, the Company is liable to pay tax equivalent to Minimum Alternate Tax (MAT). The Current Tax for the year is ₹373.72 crore as compared to ₹340.53 crore during previous year. The increase in tax incidence is due to increase in Profit before tax.

Deferred Tax (Note 2.8)

Deferred tax for the year is on account of temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. During the year, company has recognised the deferred tax on account of Minimum Alternate Tax (MAT) paid in earlier years, the benefit of which is likely to be available in future years. Accordingly, an amount of ₹161.91 crore has been recognised as deferred tax during F.Y. 2020-21 as against ₹(110.52) crore during the F.Y. 2019-20. Deferred tax has increased by ₹272.43 crore. During the previous year deferred tax was lower due to recognition of same on Advance Against Depreciation pertaining to earlier years amounting to ₹281.69 crore.

5. OTHER COMPREHENSIVE INCOME

The Other Comprehensive Income (OCI) is on account of remeasurement of net defined benefit liability/asset in respect of employees. OCI net of tax for the financial year 2020-21 is ₹(1.66) crore in comparison to ₹(14.20) crore during financial year 2019-20.

6. CASH FLOWS

Cash & cash equivalents and cash flows on various activities are given below:

(₹ in Crore)

Particulars	F.Y. 2020-21	F.Y.2019-20
Opening cash & cash equivalent	248.23	35.01
Net cash from operating activities	2010.32	1998.74
Net cash used in investing activities	(1227.76)	(440.09)
Net cash flow from financing activities	(1042.37)	(1345.43)
Net increase/(decrease) in cash and cash equivalent	(259.81)	213.22
Closing cash and cash equivalents	(11.58)	248.23

Statement of cash flows includes cash flows from operating, investing and financing activities.

Net cash generated from Operating Activities was ₹2010.32 crore during the year 2020-21 (Previous year ₹1998.74 crore). The increase is mainly due to increase in profit before tax, interest from term deposits and partly offset by decrease in finance cost and adjustment for assets and liabilities such as regulatory deferral account debit balance and loan and other financial assets.

Net cash from investing activities was ₹(1227.76) crore as compared to ₹(440.09) crore in the previous year. Expenditure in investing activities is mainly on Property, Plant & Equipment, Capital Work in progress and investment in subsidiary & joint venture companies etc., net off by cash inflows from encashment of Term Deposits and interest on Term Deposits from banks. Increase in investing activities is mainly due to increase of investment in subsidiaries & Joint venture companies by ₹612.35 crore (current year ₹1853.90 crore) (previous year ₹1241.55 crore). There is also increase in investment in Property, Plant & Equipment and Capital Work in progress etc. by ₹162.25 crore (current year ₹554.87 crore) (previous year ₹392.62 crore).

During the year the company used net cash of ₹1042.37 crore for financing activities (Previous year ₹1345.43 crore) as detailed below:

Borrowings amounting to ₹183.01 crore was raised during the year as compared to ₹105.99 crore during the previous year and borrowings amounting to ₹238.74 crore was repaid in the year 2021 (Previous year ₹218.64 Crore). In the year 2021, cash outflow on account of payment of dividend including interim dividend thereon was ₹903.69 crore (Previous year ₹1111.83 crore). Interest & Finance charges paid during the year was ₹78.71 crore (Previous year ₹106.79 crore).

B. FINANCIAL POSITION

During the year, the Company has retrospectively restated/reclassified certain items in the Financial Statements of the previous periods. Accordingly, company has restated its Balance Sheet as at 31st March 2020 and 1st April 2019 (beginning of the preceding period) and Statement of Profit and Loss and Statement of Cash Flows for the year ended 31st March 2020 to comply with the requirement of the applicable Accounting Standards i.e. Ind AS 8 and Ind AS 1 (impact of the same has been disclosed in Note No 2.41 & 2.42 to the Standalone financial statements placed elsewhere in this report.

The items of the Balance Sheet are as under:



ASSETS :

1. Non-Current Assets

(₹ in Crore)

Particulars	As at March 31,	
	2021	2020
Property, Plant and Equipment (Note 2.1)	7470.88	7569.38
Capital Work-in-progress (Note 2.2)	1201.89	913.01
Intangible Assets (Note 2.3)	27.58	1.38
Intangible Assets Under Development (Note 2.4)	4.89	31.87
Financial Assets		
- Investments (Note 2.5)	3462.14	1972.99
- Loans (Note 2.6)	81.91	67.83
- Others (Note 2.7)	455.27	50.00
Deferred Tax Assets (Net) (Note 2.8)	622.72	784.63
Other Non-Current Assets (Note 2.9)	249.26	206.92
Total	13576.54	11598.01

Non-Current Assets has increased by 17.06% to ₹13576.54 crore (Previous year ₹11598.01 crore).

Property, Plant and Equipment (PPE)

PPE includes Net Block after depreciation in respect of 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. Gross Block of PPE during the year increased by ₹276.64 crore to ₹10346.55 crore (Previous year ₹10069.91 crore). The increase is mainly due to capitalisation of Power House Building after receipt of arbitration award in respect of NJHPS, Capital Spares and acquisition of Land for Luhri Project (Stage-I) during the year. However, Net Block of PPE decreased by ₹98.50 crore to ₹7470.88 crore at the end of current year (Previous year ₹7569.38 crore) due to charging of depreciation on PPE during the year.

Capital Work-in-progress

Capital Work-in-progress during Current year registered an increase of 31.64% to ₹1201.89 crore (Previous year ₹913.01 crore) mainly due to increase in Capital work-in-progress of Naitwar Mori and commencement of construction work of Luhri hydroelectric project etc.

Intangible Assets and Intangible Assets under Development

Intangible Assets & Intangible Assets under Development is on account of SAP/ERP Software. Net block of both Intangible Assets & Intangible Assets under Development at the end of Current year is ₹32.47 crore (previous year ₹33.25 crore).

Non-current Financial Assets

Investments

Investments are intended for long term and carried at cost which consists of investments in Subsidiaries and Joint Venture Companies. Total Investments at the year end is ₹3462.14 crore (Previous year ₹1972.99 crore). The increase in investments is due to infusion of equity in Subsidiaries and Joint Venture companies.

Loans

Non-Current Loans are those loans which are expected to be realised after 12 months from the balance sheets date. These loans mainly include, loans and advances given to employees at concessional rates and have been fair valued at reporting date. Loans at the end of current year is ₹81.91 crore (Previous year ₹67.83 crore).The increase is mainly due to increase in loans of employees.

Others

Other Non-current Financial Assets includes Share application money pending allotment in subsidiaries and Bank Deposits with more than twelve months maturity. Other Non-current Financial Assets at the end of current

year is ₹455.27 crore (Previous year ₹50.00 crore). This is mainly due to increase in Share application money paid to subsidiary companies.

Deferred Tax Assets (Net)

The net deferred tax assets decreased by ₹161.91 crore (current year ₹622.72 crore, previous year ₹784.63 crore). The decrease is mainly due to materialisation/use of deferred tax assets on account of MAT credit entitlement and carrying amount of PPE during the year. Net decrease in deferred tax assets amounting to ₹161.91 crore during the year has been debited to statement of profit and loss (previous year net increase of ₹110.52 crore had been credited to statement of profit and loss).

Other Non-current Assets

Other non-current assets mainly consist of advance tax & tax deducted at source net off by provision for tax, Capital Advances given to Contractors, govt deptt / organisations mainly for acquisition of land for Luhri (Stage-I), Devsari Hydro Electric Project and deferred employee benefits expense etc. Other non-current assets at the end of Current Year is ₹249.26 crore (Previous year ₹206.92 crore).

2. Current Assets

(₹ in Crore)

Particulars	As at March 31,	
	2021	2020
Inventories (Note 2.10)	56.15	49.49
Financial Assets		
-Trade Receivables (Note 2.11)	522.96	745.44
-Cash and Cash Equivalents (Note 2.12)	40.60	248.23
-Bank Balances Other than cash and cash equivalents (Note 2.13)	901.99	1963.39
-Loans (Note 2.14)	20.87	17.79
-Others (Note 2.15)	734.66	497.16
Other Current Assets (Note 2.16)	148.10	123.85
Total	2425.33	3645.35

Current Assets as on March 31, 2021 has decreased by 33.47 % to ₹2425.33 crore (Previous year ₹3645.35 crore).

Inventories

Inventories mainly comprise stores & spares which are maintained for operating plants. Inventories are valued at lower of cost arrived at on weighted average basis and net realisable value. Inventories were valued at ₹56.15 crore as on 31st March, 2021 (Previous year ₹49.49 crore).

Financial Assets

Trade Receivables

Trade Receivables mainly consists of receivables on account of Sale of Energy. Trade receivable does not include unbilled revenue which has been shown separately under other current financial assets (Note 2.15). Trade Receivables during the Current year has decreased by 29.85 % to ₹522.96 crore (Previous year ₹745.44 crore). Trade receivable has decreased due to realisation of arrears of tariff. As per the arrangements between the company, banks and beneficiaries, the bills of beneficiaries amounting to ₹201.07 crore (previous year: ₹150.00 crore) have been discounted during the year. Accordingly, Trade Receivables have been disclosed net off bills discounted. Trade Receivables are 21.56% of current assets.

Cash and Cash Equivalents & Bank Balances other than cash and cash equivalents

Cash and Cash Equivalents & Bank Balances other than cash and cash equivalents include mainly balances in Term Deposits and surplus in current account. Cash and Cash Equivalents & Bank Balances other than cash and cash equivalents during the current year decreased by ₹1269.03 crore to ₹942.59 crore (Previous year ₹2211.62 crore). The decrease is mainly due to investment in subsidiaries and joint venture companies.

Cash and Cash Equivalents & Bank Balances other than cash and cash equivalents are 38.86 % of current assets.



Loans

Current loans during the year has increased by ₹3.08 crore to ₹20.87 crore as on 31.03.2021 (Previous year ₹17.79 crores) mainly due to increase in loans to employees.

Other Financial Assets

Other financial assets include interest accrued but not due on deposits with Banks, amount recoverable from Contractors & Suppliers, Unbilled Revenue and amount receivable for late payment surcharge etc. Other financial assets increased by ₹237.50 crore to ₹734.66 crore during current year (Previous year ₹497.16 crore). The increase is mainly due to amount receivable for late payment surcharge from beneficiaries.

Other Current Assets

Other Current Assets mainly include advances to Govt. Departments other than capital advances and prepaid expenses etc. Other Current Assets increased by ₹24.25 crore to ₹148.10 crore during current year (Previous year ₹123.85 crore).

Regulatory Deferral Account Debit Balance

Expense/Income recognised in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC tariff regulations are recognised as "Regulatory deferral account balances" as per the provisions of Ind AS 114-Regulatory Deferral Accounts. Regulatory deferral account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.

Regulatory deferral account balances include foreign exchange rate variation on foreign currency loans, employee benefit expense on account of pay revision w.e.f. 01.01.2017, interest on arbitration awards etc. Regulatory deferral account debit balance at the year-end is ₹861.70 crore (Previous year ₹532.87 crore). The increase is mainly due to accounting of interest on arbitration awards received during the year in respect of Nathpa Jhakri Hydro Power Station (NJHPS). This amount is recoverable from beneficiaries through tariff in future.

EQUITY AND LIABILITIES

1. TOTAL EQUITY

Total Equity of the Company at the end of the financial year 2020-21 has increased to ₹12761.84 crore from ₹12034.31 crore in the previous year registering an increase of 6.05% as per details given below:

(₹ in Crore)

Particulars	Total Equity
Opening Balance as on 01.04.2020	12034.31
Add: Profit for the year	1633.04
Less: Other Comprehensive Income	1.66
Less: Dividend	903.85
Balance as on 31.03.2021	12761.84

The increase in total equity resulted in increase in the book value per share to ₹32.47 as at 31st March, 2021 (Previous year ₹30.62 per share).

2. LIABILITIES

Non-Current Liabilities

Financial Liabilities

(₹ in Crore)

Particulars	As at March 31,	
	2021	2020
Borrowings (Note 2.20)	1855.68	1972.19
Lease Liabilities (Note 2.21)	9.17	12.57
Other Financial Liabilities (Note 2.22)	0.01	0.01
Provisions (Note 2.23)	96.58	85.49
Other Non-current Liabilities (Note 2.24)	751.99	784.64
Total	2713.43	2854.90

Borrowings

Total borrowings as on March 31, 2021 were ₹1855.68 crore as against ₹1972.19 crore as on March 31, 2020. Over the last year, Borrowings excluding current maturities of long term debts have registered a decrease of 5.91 % amounting to ₹116.51 crore. Out of these ₹366.80 crore (previous year ₹228.47 crore) is Secured and ₹1488.88 Crore (previous year ₹1743.72 crore) is Unsecured. Secured Loans are borrowed from HDFC Bank & Punjab National Bank and Unsecured Loans are on account of borrowing in foreign currency from World Bank. During the year an amount of ₹183.01 crore has been borrowed from Punjab National Bank for Naitwar Mori Hydroelectric Project. The Unsecured Loans have registered a decrease of 14.61% amounting to ₹254.84 crore during current year. The decrease is due to repayment of loans. During the year, the company has swapped the secured loan of Axis bank with lower interest bearing loan from HDFC Bank.

Above borrowings do not include an amount of ₹247.00 crore (Secured ₹44.56 crore and Unsecured ₹202.44 crore) being current maturities of long term debts payable during next financial year. The same has been shown under Other Current Financial Liabilities.

The debt to equity ratio (inclusive of Current Maturities of Long Term Borrowings and accrued interest) at the end of financial year 2020-21 of the company is 0.17 (previous year 0.19).

Lease and Other Financial Liabilities

The lease liabilities are on account of assets taken on lease by the company. The lease liabilities have been measured at the present value of the remaining lease payments. Lease liabilities during the current year is ₹9.17 crore (Previous year : ₹12.57 crore).

Other Financial liabilities include Retention Money from Contractors and others. Other financial liabilities during the current year is ₹0.01 crore (Previous year ₹0.01 crore).

Non-current Provisions

Non-current Provisions are on account of long term employee benefits provided on the basis of Actuarial Valuation and includes leave encashment and Other Retirement Benefits which are expected to be settled beyond a period of twelve months from the balance sheet date. Non-current provisions increased by ₹11.09 crore to ₹96.58 crore during current year (Previous year ₹85.49 crore). Disclosures as per Ind AS- 19 "Employee Benefits" are given in Note No.2.43 to the financial statements.

Other Non-current Liabilities

Other non-current liabilities include income received in advance (Advance against Depreciation (AAD) and Deferred Foreign Currency Fluctuation Liability etc.

Other non-current liabilities have registered a decrease of ₹32.65 Crore to ₹751.99 crore (Previous year ₹784.64 crore) as an amount of ₹32.25 crore on account of AAD has been transferred to other current liabilities as the same is adjustable in sales during next financial year.

Current Liabilities

Financial Liabilities

(₹ in Crore)

Particulars	As at March 31	
	2021	2020
Borrowings (Note No.2.25)	52.18	--
Lease Liabilities (Note 2.26)	8.80	9.64
Trade Payables (Note 2.27)	42.33	32.27
Other Financial Liabilities (Note 2.28)	709.96	585.12
Other Current Liabilities (Note 2.29)	77.53	46.38
Provisions (Note 2.30)	497.50	213.61
Total	1388.30	887.02

The Current Liabilities as at March 31, 2021 and 2020 were ₹1388.30 crore and ₹887.02 crore respectively. The Current Liabilities have increased by 56.51 % mainly due to increase in Other Financial Liabilities and Provisions.



Borrowings

During the year company has availed the bank overdraft to finance the short term fund requirements/outstanding balance of borrowings at the end of the year is ₹52.18 crore (Previous year: Nil).

Lease Liabilities

Lease liabilities at the end of year is ₹8.80 crore (Previous year: ₹9.64 crore).

Trade Payables

Trade payables include 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 year is ₹42.33 crore (Previous year ₹32.27 crore).

Other Financial Liabilities

Other Financial Liabilities mainly include Current Maturities of Long Term Debts payable within Twelve Months from the balance sheet date, Liabilities for Employees Remuneration and Benefits, Liabilities for Purchase/Construction of Fixed Assets and Deposits, Retention Money from Contractors and Others. Other Current Liabilities have increased by ₹124.84 crore to ₹709.96 crore (Previous year ₹585.12 crore).

Other Current Liabilities

Other Current Liabilities mainly include current liability of Advance against Depreciation and Advance from customers etc. Other Current Liabilities at the year-end was ₹77.53 crore (Previous year ₹46.38 crore).The increase is mainly due to increase in advance from customers.

Provisions

Short Term Provisions include Unfunded Employees Benefits payable within Twelve Months as per Actuarial Valuation, Interest on Arbitration Awards and Performance Related Pay etc. Provisions have increased by ₹283.89 crore in the F.Y. 2020- 21 to ₹497.50 crore (Previous year ₹213.61 crore) mainly due to increase in provision for interest on arbitration awards received during the year in respect of Nathpa Jhakri Hydro Power Station (NJHPS).

C. CONTINGENT LIABILITIES (NOTE NO 2.50)

The following are the components of claims against the company not acknowledged as debt:

(₹ in crore)

Particulars	As at 31.03.2021	As at 31.03.2020
Capital Works	536.38	615.16
Land Compensation	25.06	27.53
Disputed Income Tax Demand	12.46	-
Others	201.09	150.00
Total	774.99	792.69

Contingent Liabilities decreased by ₹17.70 crore to ₹774.99 crore as of March 31, 2021(Previous year ₹792.69 crore) mainly on account of decrease in contingent liabilities relating to capital works.

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

1. Subsidiary Companies

Company has two wholly owned subsidiary companies as at 31.03.2021. Presently both the companies are yet to commence the operations. The performance of the subsidiaries is as under:

SJVN Thermal Pvt. Ltd.

SJVN Thermal Pvt. Ltd is 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, which is in construction stage. Total paid up equity share capital as on 31st March, 2021 is ₹1896.68 crore (Previous year ₹946.68 crore) . Total Assets as on 31st March, 2021 is ₹2605.97 crore (Previous Year : ₹1097.28 crore).

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. on 25.04.2013. The authorized share capital of the company is INR1546.88 crore (NPR 2475.00 crore). Presently the company is executing the 900MW Arun-3 Hydroelectric Project in Nepal which is under construction. This project is to be installed in the Sankhuwasabha District of Nepal. Total paid up equity capital as on 31st March, 2021 is INR1360.67 crore (Previous Year INR 847.17 crore). Total Assets as on 31st March, 2021 is INR 1698.64 crore (Previous Year INR 1109.25 Crore).

2. Joint Venture Companies

As at 31.03.2021, the company has two joint ventures. The performance of the Joint Ventures is as under:

Kholongchhu Hydro Energy Limited

Kholongchhu Hydro Energy Limited (KHEL) was incorporated in Bhutan on June, 12, 2015 under the companies Act of the Kingdom of Bhutan 2000 as joint venture Company of Druk Green power Corporation Ltd, Bhutan (DGPC) and SJVN Ltd. having 50% shareholding each. The Company has been formed for construction of 600MW Kholongchhu Hydro Electric Project on the river Kholongchhu, Bhutan which is in construction stage. SJVN has invested an amount of ₹190.43 Crore as on 31.03.2021 (Previous Year ₹166.53 crore).

Cross Border Power Transmission Company Limited

Cross Border Power Transmission Company Limited (CPTC) 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). The Company is principally engaged in establishment, operation & maintenance and transfer of Indian Portion of Indo-Nepal Cross Border Transmission Line from Muzaffarpur to Dhalkebar.

SJVN has invested ₹12.61 crore (Previous Year ₹12.61 crore) in the joint venture. The total income and PAT during the year 2020-21 are ₹33.43 crore (previous year ₹40.79 crore) and ₹14.74 Crore (previous year ₹21.47 crore) respectively.

E. CONSOLIDATED FINANCIAL STATEMENTS OF SJVN LTD.

The consolidated financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS-110)- ‘Consolidated financial Statements’, Ind AS-28 -Investments in Associates & Joint Ventures, Ind AS 112- ‘Disclosure of Interests in other entities’ and are included in the Annual Report.

The Financial Statements of the company and its subsidiaries are combined on 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 Joint Venture Companies have been consolidated by using the Equity Method of Accounting.

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

(₹ in Crore)

Particulars	FY 2020-21	FY 2019-20
Total Revenue	3222.84	3103.51
Profit before Tax	2185.13	1971.50
Profit after Tax	1645.61	1566.76
Other Comprehensive Income (net of tax)	(1.66)	(14.20)
Total Comprehensive Income	1643.95	1552.56



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 Central Public Sector Enterprise (CPSE), your Company has been complying with the requirements of Corporate Governance as stipulated in the Companies Act 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Guidelines notified by the Department of Public Enterprises (DPE), Government of India in this regard from time to time.

SJVN continuously strives to bring the best practices expected by all the stakeholders in the conduct of its business. The company was listed on 20th May 2010 with the National Stock Exchange (NSE) and 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 stands at 59.92%, 26.85% and 13.23% between the Government of India, Government of Himachal Pradesh and the Public respectively. As per the Articles of Association, the power to appoint Directors vests with the President of India acting through the Administrative Ministry i.e., Ministry of Power. The Strength of the Board shall not be less than 6 and not more than 15. These numbers include all Executive, Non-Executive and Independent Directors.

1.2 Composition & Tenure of the Board

As on 31st March 2021, the Company's Board comprised of Nine (9) members, consisting of Five Whole-Time Directors including Chairman & Managing Director, Two Part-Time Government Nominee Directors representing Government of India and Government of Himachal Pradesh and Two Part Time Non-Official (Independent) Directors.

During the year, in absence of requisite number of Independent Directors on the Board of the Company, the composition of the Board of Directors was not in conformity with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for CPSE issued by DPE. Further, the Stock Exchanges have levied monetary fines

for non-compliance with the requirements pertaining to the appointment of Independent Directors as provided in Regulation 17 of SEBI LODR Regulations.

The Company has sent various requests to the Ministry of Power, Government of India to expedite the process of appointment of Independent Directors on the Board of the Company so as to enable the company to comply with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the DPE guidelines. It is understood that the Government is in the process of inducting the remaining five (5) Independent Directors on the Board of the Company.

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 & Managing Director is 60 years. Government Nominee Directors representing Government of India and Government of Himachal Pradesh cease as director on withdrawal of nomination by appointing authority or on ceasing to be officials of the Ministry/Administrative Department. Independent Directors are re-appointed/appointed for a period of one/three years or until further order, whichever is earlier. The key qualifications, skills, and attributes which are taken into consideration while nominating a Director is considered by a well-defined process of the Administrative Ministry i.e., Ministry of Power and Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India. The Functional Directors are appointed by the Public Enterprises Selection Board (PESB), a high-powered body constituted by Government of India Resolution dated 3.3.1987. PESB has been set up with the objective of evolving a sound managerial policy for the Central Public Sector Enterprises and, in particular, to advise Government on appointments to their top management posts.

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Based on the same, it is confirmed that in the opinion of the Board, the Independent Directors fulfill the conditions as specified in SEBI Listing Regulations and Companies Act, 2013.

1.3 Board Meetings

The Board Meetings were normally held at Shimla through video conference / other Audio-Visual facility to facilitate participation by maximum number of out station Directors. Meetings are also held at New Delhi. During the Financial Year 2020-21, Eight (8) Board Meetings were held, (i) 29th May 2020 (ii) 29th June 2020 (iii) 28th August 2020 (iv) 7th October 2020 (v) 10th November 2020 (vi) 12th January 2021 (vii) 12th February 2021 (viii) 23rd March 2021. The maximum interval between any two meetings during this period was 63 days.

Details of Board Meetings, attendance of the Directors, etc. for the year 2020-21 are as under:

Sr. No.	Name of the Director	Meetings held during respective tenure of Directors	No. of Board Meetings attended	Attendance at last AGM (32 nd) held on 29.09.2020	No. of other Directorship held on 31.03.2021*	No. of Committee memberships in other companies on 31.03.2021**	
						As Chairman	As Member
I EXECUTIVE DIRECTORS							
A Functional Directors							
1	Shri Nand Lal Sharma, Chairman & Managing Director	8	8	Yes	1	0	0
2	Shri Rakesh Kumar Bansal, Director (Electrical)	2	2	NA	Ceased w.e.f. 31 st July 2020		
3	Smt. Geeta Kapur, Director (Personnel)	8	8	Yes	1	0	0
4	Shri Surinder Pal Bansal, Director (Civil)	8	8	Yes	1	0	0



5	Shri Akhileshwar Singh, Director (Finance)	8	8	Yes	2	0	0
6	Shri Sushil Sharma, Director (Electrical) (w.e.f. 01 st August 2020)	6	6	Yes	2	0	0
II NON-EXECUTIVE DIRECTORS							
B Part-Time Official Directors (Government Nominee Directors)							
1	Shri Aniruddha Kumar, Joint Secy. (Hydro), Ministry of Power, Government of India (Gol)	1	1	NA	Ceased w.e.f. 10 th June 2020		
2	Shri Tanmay Kumar, Joint Secy. (Hydro), Ministry of Power, Government of India (Gol) (w.e.f. 11 th June 2020)	7	4	No	3	2	3
3	Shri Ram Subhag Singh, ACS (Power), Nominee Director, Government of Himachal Pradesh (GoHP)	8	2	No	7	0	0
C Part-Time Non-Official Directors (Independent Directors)							
1	Shri Subhash Chander Negi	8	7	Yes	NIL	0	0
2	Dr. Rajnish Pande	8	8	Yes	NIL	0	0

* Does not include Directorship in Private Companies, Section 8 Companies under the Companies Act, 2013 and Foreign Companies. None of the Directors except Sh. Tanmay Kumar, who is also a Part Time Official (Government Nominee) Director in NHPC Ltd, Power Finance Corporation Limited and REC Limited, hold office in any other listed company

** Does not include Chairmanship/Membership in Board Committees other than Audit Committee and Shareholders'/Investors' Grievance Committee of above excluded companies.

2.0 Meeting of Independent Directors

In compliance with the provisions of the Companies Act, 2013 and Obligations with respect to Independent Directors prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on 11th January 2021 without the attendance of Non-Independent Directors and members of the management. All the Independent Directors attended the said Meeting.

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. They are also provided training with special emphasis on nature of power industry, business model of the Company and roles & responsibilities of the Independent Directors among others.

The details of such familiarization programmes for Board of Directors are posted on the website of the Company and can be accessed at Investor Relation Section on SJVN website www.sjvn.nic.in

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 (Listing Obligations and Disclosure Requirements) Regulations, 2015 and allied legislations as amended from time to time.
3. DPE Guidelines on Corporate Governance 2010 as amended from time to time.

As on 31st March 2021, the following Directors were the Members of the Audit Committee:

- | | |
|---|----------|
| 1. Dr. Rajnish Pande, Independent Director | Chairman |
| 2. Sh. Subhash Chander Negi, Independent Director | Member |
| 3. Sh. Akhileshwar Singh, Director (Finance) | Member |

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

During the Financial Year 2020-21, 5 (Five) Audit Committee meetings were held, i.e. (i) 29th June 2020 (ii) 28th August 2020 (iii) 07th October 2020 (iv) 10th November 2020 (v) 12th February 2021.

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	Dr. Rajnish Pande	5	5
2	Shri Subhash Chander Negi	5	5
3	Shri Akhileshwar Singh	5	5

The Director (Finance), Head of Internal Audit and Head of Finance were invited in all the meetings whereas the representatives of the Statutory Auditor were occasionally invited to the Audit Committee Meetings for interacting with the members of the committee.

5.0 Nomination & Remuneration Committee

SJVN being a Central Public Sector Enterprise, 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 Remuneration Committee as may be prescribed under the following Legislations/Guidelines to the extent applicable to Government Companies :-

1. The Companies Act, 2013 and allied Rules and Regulations including any subsequent enactments or amendments thereto.
2. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and allied legislations as amended from time to time.
3. DPE Guidelines for Corporate Governance 2010 as amended from time to time.

As on 31st March 2021, the Nomination & Remuneration Committee consists of:-

- | | |
|---|----------|
| 1. Sh. Subhash Chander Negi, Independent Director | Chairman |
| 2. Dr. Rajnish Pande, Independent Director | Member |
| 3. Sh. Ram Subhag Singh, GoHP Nominee Director | Member |



During the Financial Year 2020-21, 3 (Three) Nomination & Remuneration Committee meetings were held, i.e. (i) 08th May 2020 (ii) 15th June 2020 (iii) 25th September 2020

The details of attendance in the Nomination and Remuneration Committee are as under:-

Sr. No.	Name	No. of Meetings held during tenure	No. of Meetings attended
1	Shri Subhash Chander Negi	3	3
2	Dr. Rajnish Pande	3	3
3	Shri Ram Subhag Singh	3	0

In compliance with provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Nomination & Remuneration Committee has formulated a "Policy Statement on Nomination, Remuneration, Succession and Diversity of Board" which is effective from 1st December 2015.

The 'Policy Statement on Nomination, Remuneration, Succession and Diversity of Board' has been duly disclosed on the website of the company and may be accessed at Investor Relation Section on SJVN website www.sjvn.nic.in

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 as may be prescribed under:-

1. The Companies Act, 2013 and allied Rules and Regulations including any subsequent enactments or amendments thereto.
2. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and allied legislations as amended from time to time.
3. DPE Guidelines for Corporate Governance 2010 as amended from time to time.

As on 31st March 2021, the Stakeholder Relationship Committee consists of the following Members:

1. **Dr. Rajnish Pande, Independent Director** Chairman
2. **Shri Subhash Chander Negi, Independent Director** Member
3. **Shri Surinder Pal Bansal, Director (Civil)** Member

Shri Soumendra Das, Company Secretary, is the Investor Relations and Compliance Officer.

During the Financial Year 2020-21, 1 (One) Stakeholders Relationship Committee meeting was held i.e. on 11th January 2021

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	Dr. Rajnish Pande	1	1
2	Shri Subhash Chander Negi	1	1
3	Shri Surinder Pal Bansal	1	1

6.1 Status of Investors Complaints:

Status of Investors' complaints for the financial year 2020-21 is as under:-

Particulars	Opening	Received during the year	Resolved during the year	Pending (31.03.2021)
Complaints	0	0	0	0

7.0 Risk Management Committee

The Scope of work of Risk Management Committee is be to monitor,

review and update the Risk Management Policy, Plan and to discharge all such functions and responsibilities of Risk Management Committee as may be prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and allied legislations as amended from time to time and DPE Guidelines for Corporate Governance 2010 as amended from time to time.

As on 31st March 2021, the Risk Management Committee consists of the following Members:

1. **Dr. Rajnish Pande, Independent Director** Chairman
2. **Shri Subhash Chander Negi, Independent Director** Member
3. **Smt. Geeta Kapur, Director (Personnel)** Member
4. **Shri Akhileshwar Singh, Director (Finance)** Member

During the Financial Year 2020-21, 1 (One) Risk Management Committee meeting was held i.e. on 23rd March 2021

The details of attendance in the Risk Management Committee are as under:-

Sr. No.	Name	No. of Meetings held during tenure	No. of Meetings attended
1	Dr. Rajnish Pande	1	1
2	Shri Subhash Chander Negi	1	1
3	Smt. Geeta Kapur	1	1
4	Shri Akhileshwar Singh	1	1

8.0 Corporate Social Responsibility, Sustainable Development and Research & Development Committee

The Committee was constituted by the Board for formulation and implementation of SJVN's CSR Policy as per DPE Guidelines and Companies Act, 2013. The Committee has also been assigned additional responsibilities of Sustainable Development and Research & Development as envisaged in annual Memorandums of Understanding with the Ministry of Power.

As on 31st March 2021, the Corporate Social Responsibility, Sustainable Development and Research & Development Committee consist of:-

1. **Shri Subhash Chander Negi, Independent Director** Chairman
2. **Dr. Rajnish Pande, Independent Director** Member
3. **Smt. Geeta Kapur, Director (Personnel)** Member

During the Financial Year 2020-21, 3 (Three) Corporate Social Responsibility, Sustainable Development and Research & Development Committee meetings were held, i.e. (i) 08th May 2020 (ii) 02nd July 2020 (iii) 11th February 2021.

The details of attendance in the Corporate Social Responsibility, Sustainable Development and Research & Development Committee are as under:-

Sr. No.	Name	No. of Meetings held during tenure	No. of Meetings attended
1	Shri Subhash Chander Negi	3	3
2	Dr. Rajnish Pande	3	3
3	Smt. Geeta Kapur	3	3

9.0 Committee for Allotment and Post-Allotment Activities

As on 31st March 2021, the Committee consists of Chairman & Managing Director and Director (Civil). The scope of work of the Committee is to address Share Allotment, issue of certificates, letter of allotment, transfer, transmission, rematerialisation, and issue of duplicate certificates, consolidation, split and any other related functions.



10.0 Annual Evaluation of Board Performance and Performance of its Committees and Individual Directors:

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, and individual directors pursuant to the provisions of the Act and Listing Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors based on criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Board members based on criteria such as the composition of committees, effectiveness of Committee meetings, etc.

Being a CPSE, the performance evaluation of Functional Directors & Government Nominee Directors is being done by the respective appointing authorities as per applicable rules & procedures. Vide a notification dated 05.06.2015, the Ministry of Corporate Affairs has granted exemption to Government Companies under Section 134(3)(p) of the Companies Act, 2013 in case the Directors are evaluated by the Administrative Ministry or Department of Central Government or State Government.

The performance evaluation of independent directors is also done by the appointing authority i.e. administrative ministry being Ministry of Power. The core skills/expertise/competencies as required in the context of its business are determined by the Appointing Authority i.e., President of India acting through the administrative Ministry i.e., Ministry of Power.

11.0 Remuneration details of Directors and Key Managerial Personnel

The remuneration details of Functional Directors and Key Managerial Personnel for the Financial year 2020-21 are as under:-

Amount (₹)

Sr. No.	Name	Salary	Benefits	PRP	Total
1.	Shri Nand Lal Sharma, Chairman & Managing Director	3908424	2277123	3618791	9804338
2.	Shri Rakesh Kumar Bansal, Director (Electrical) (upto 31 st July 2020)	3451597	2620263	3031950	9103810
3.	Smt. Geeta Kapur, Director (Personnel)	3596244	1692473.1	2693188	7981905.1
4.	Shri Surinder Pal Bansal, Director (Civil)	2991804	1464357	2240568	6696729
5.	Shri Akhileshwar Singh, Director (Finance)	3578799	1705748	1943130	7227677
6.	Shri Sushil Sharma, (w.e.f. 01 st August 2020)	2169737	1011337	0	3181074
7.	Shri Soumendra Das, Company Secretary	2074423	1029105	1009301	4112829
Total		21771028	11800406.1	14536928	48108362.1

11.1 Remuneration to Non-Executive Directors :

The Company does not make any payments to the Non-Executive Directors except the sitting fees which is paid only to the Independent Directors as per the extant DPE Guidelines adopted by the Board.

The Sitting Fee paid to Independent Directors for meetings attended during the financial year 2020-21 is as under:-

Amount (₹)

Sr. No.	Name of the Director	Total Sitting Fee Paid (Excluding GST)
1	Shri Subhash Chander Negi	4,20,000
2	Dr. Rajnish Pande	4,40,000

Note:-The amount of sitting fees stated herein above is excluding the amount of Goods and Service Tax prescribed under Section 9(3) of Chapter III of the Central Goods and Service Tax Act, 2017 as paid by the company on sitting fee under Full Reverse Charge Mechanism.

12.0 Details of total fees paid to statutory auditors :

The details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part, are as follows:

Amount (₹)

Type of Service	Financial Year 2020-21
Statutory Audit	1858500
Tax Audit Fees	464625
Limited Review	1192550
Other Services	477000
Reimbursement of Expenditure	169610
Total*	4162285

*Including GST.

13.0 CODE OF CONDUCT

The Board of Directors has laid down Code of Conduct for Board Members and Senior Management. 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 in lines with the requirements of Companies Act, 2013 and SEBI (LODR) Regulations. 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 & Managing 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 2021.



(Nand Lal Sharma)
Chairman & Managing Director
DIN: 03495554

14.0 CODE FOR PREVENTION OF INSIDER TRADING

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 has been laid down by the Board of Directors of your Company in line with the requirements of The Companies Act, 2013 and SEBI (Prohibition of Insider Trading) Regulations, 2015 as approved by the Board of Directors of the Company in its 239th Meeting held on 27th May, 2015. The revised version of the Code has come into force with effect from 15th May 2015. The code has been aligned in line with the requirements of the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

The Code of Conduct for Regulating & Reporting Trading by Insiders and for Fair Disclosure, 2015 has been duly disclosed on the website of the company and may be accessed at Investor Relation Section on SJVN website www.sjvn.nic.in

15.0 WHISTLE BLOWER POLICY

Board of directors in its 208th meeting held on 30th November, 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 safeguard 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 have been denied access to Chairman of Audit Committee.

The Whistle Blower Policy has been duly disclosed on the website of the Company and may be accessed under the Investor Relation Section on SJVN website www.sjvn.nic.in

Status of Whistle Blower Complaints during FY 2020-21:-	NIL
No. of complaints pending at the beginning of the year	
No. of complaints received during the year	
No. of complaints disposed off during the year	
No. of complaints pending at the end of the year	

16.0 GENERAL BODY MEETINGS

16.1 Annual General Meeting

The details of the last three Annual General Meetings of the company are as under:

AGM	Date	Day	Time	Location	Special Resolution
30 th	25 th September 2018	Tuesday	1500 HRS	Hotel Peter Hoff, Shimla, Himachal Pradesh.	No Special Resolution was passed
31 st	27 th September 2019	Friday	1500 HRS	SJVN Corporate Office Complex, Shanan, Shimla, Himachal Pradesh	No Special Resolution was passed
32 nd	29 th September 2020	Tuesday	1500 HRS	Held through video conference / other Audio Visual means. Deemed venue was SJVN Corporate Office Complex, Shanan, Shimla, Himachal Pradesh	No Special Resolution was passed

16.2 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.

17.0 DISCLOSURES

It is certified that during the Financial Year 2020-21:-

- 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.
- 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 the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are being complied except for those stated in this report and the non-mandatory requirements are being adopted to the extent possible.

18.0 CEO/CFO CERTIFICATION

As required by Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate duly signed by Shri Nand Lal Sharma, Chairman & Managing Director and Shri Akhileshwar Singh, Director (Finance) & CFO was placed before the Board of Directors at the Meeting held on 26.06.2021 which is reproduced as under:-

We, Nand Lal Sharma, Chairman & Managing Director and Akhileshwar Singh, 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 2021 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;
- There are, to the best of our knowledge and belief, no transactions entered into 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.



(Akhileshwar Singh)
Director (Finance) & CFO
DIN: 08627576



(Nand Lal Sharma)
Chairman & Managing Director
DIN: 03495554

19.0 MEANS OF COMMUNICATION

The company recognizes communication as a key element of the overall Corporate Governance framework and therefore emphasizes continuous, efficient and relevant communication to all external constituencies. The Company communicates its Quarterly/Annual Results, disclosures as required under SEBI Listing Regulations including the presentations made to institutional investors/Analyst, if any through its website www.sjvn.nic.in and appropriate disclosure to the Stock Exchanges wherever mandated.

The financial results of the company are generally published in The Financial Express, The Economic Times, The Tribune, Dainik Bhaskar, Navbharat Times, Ajit Samachar etc.,

20.0 SUBSIDIARY MONITORING FRAMEWORK

The Company has two subsidiary Companies, the list of which is 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 Company's Board periodically.
- (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 which, inter-alia, includes investments made in the subsidiary is presented to the Board of SJVN.
- (iv) Subsidiary Companies sign an annual Memorandum of Understanding with SJVN in the beginning of the year setting the targets 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.

21.0 RISK MANAGEMENT FRAMEWORK

The risk management framework entails formulation of a Risk Matrix to assign the likelihood of occurrence to the assigned risks along with definition of nature of risk viz. controllable, Uncontrollable & partly controllable, suggesting a mitigation mechanism and lead responsibility centre. The risk management policy has a defined Risk Organization Structure with Chief Risk Officer at the helm supported by Risk Controller along with Risk Managers and Risk Officers performing the line functions.

The Risk Management Strategy includes assessment of risk to designate as falling under Avoidance, Transfer, Reduction or Retention with associated action plan.

The Risk Management Policy has been disclosed on the website of the company and may be accessed at Investor Relation Section on SJVN website www.sjvn.nic.in

22.0 RELATED PARTY TRANSACTIONS & POLICY

In compliance with the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 has come into force with effect 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 arm's 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 or provisions of SEBI (LODR) Regulations, 2015. Your attention is drawn to the Financial Statements which sets out the Related Party Disclosures under Note no. 2.46.

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 Investor Relation Section on SJVN website www.sjvn.nic.in

23.0 POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

In compliance with the Regulation 16(1)(c) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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.

The Policy for Determining Material Subsidiaries has been disclosed on website of the Company and may be accessed at Investor Relation Section on SJVN website www.sjvn.nic.in

24.0 DIVIDEND DISTRIBUTION POLICY

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has adopted a Dividend Distribution Policy duly approved by the Board of Directors.

The Dividend Distribution Policy has been disclosed on the website of the company and may be accessed at Investor Relation Section on SJVN website www.sjvn.nic.in

25.0 COMPLIANCE WITH DPE GUIDELINES ON CORPORATE GOVERNANCE:

In May 2010, the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises has issued Guidelines on Corporate Governance for Central Public Sector Enterprises which are mandatory in nature. The Company is complying with these guidelines and a Certificate to this effect is also obtained from Practicing Company Secretary.

No Presidential Directives have been issued during the period 01st April, 2020 to 31st March, 2021.

26.0 SHAREHOLDERS' INFORMATION

- i. **33rd Annual General Meeting:** Date: 29th September 2021
Time: 1500 HRS
Venue: Through video conference / other Audio Visual means. Deemed venue is SJVN Corporate Office Complex, Shanan, Shimla, Himachal Pradesh

ii. **Financial Calendar:**

Particulars	Date
Accounting Period	1 st April 2021 to 31 st March 2022
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 29 th May, 2022
AGM (Next year)	September 2022 (tentative)

- iii. **Dates of Book Closure:** 23rd September 2021 to 29th September 2021 (both days inclusive)
- iv. **Dividend Payment Date:** 5th October 2021 onwards
- v. **Listing on Stock Exchanges:** The Equity Shares of the Company are listed on the following Stock Exchanges:-

Stock Exchange Name	National Stock Exchange (NSE)	Bombay Stock Exchange (BSE)
Address	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051	Phiroze Jeejeebhoy Towers Dalal Street Mumbai- 400001
Scrip Code	SJVN-EQ	533206
ISIN	INE002L01015	INE002L01015
Listing Date	20 th May 2010	20 th May 2010

The Annual Listing Fee for the Financial Year 2021-22 was paid to both National Stock Exchange of India Limited and BSE Limited. Also, the Annual Custodian Fee for the Financial Year 2021-22 has been paid to both Depositories i.e. Central Depository Services (India) Limited and National Securities Depository Limited within respective due dates.



vi. Dividend History: (Since Listing)

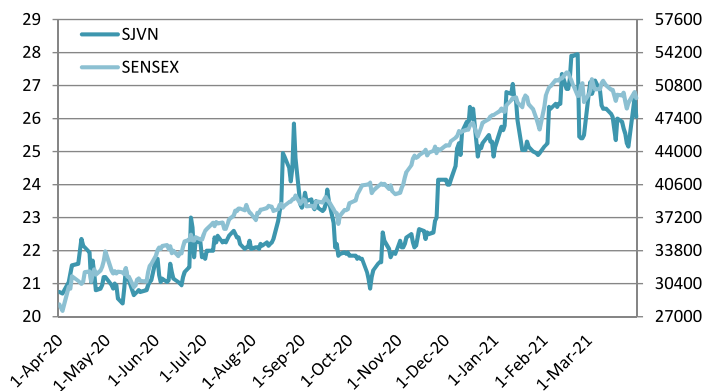
Financial Year	Interim Dividend			Final Dividend			Total Dividend (₹ in crore)
	Date of Declaration	Rate	Dividend per share (₹)	Date of Declaration	Rate	Dividend per share (₹)	
2020-21	12-02-2021	18%	1.80	To be declared at 33 rd AGM			
2019-20	13-02-2020	17.0%	1.70	25-09-2020	5.0%	0.50	864.55
2018-19	08-02-2019	15.0%	1.50	27-09-2019	6.5%	0.65	844.89
2017-18	09-02-2018	19.0%	1.90	25-09-2018	2.0%	0.20	864.54
2016-17	13-02-2017	22.5%	2.25	22-09-2017	5.0%	0.50	1,137.54
2015-16	04-02-2016	6.3%	0.63	22-09-2016	4.7%	0.47	455.02
2014-15	05-02-2015	6.3%	0.63	22-09-2015	4.2%	0.42	434.35
2013-14	--	--	--	09-09-2014	9.8%	0.98	405.39
2012-13	--	--	--	12-09-2013	9.6%	0.96	397.12
2011-12	--	--	--	03-09-2012	9.4%	0.94	388.84
2010-11	--	--	--	26-08-2011	8.0%	0.80	330.93
2009-10	04-08-2009	1.9%	0.19	15-09-2010	6.0%	0.60	328.20

vii. Stock Code & Market Price Data

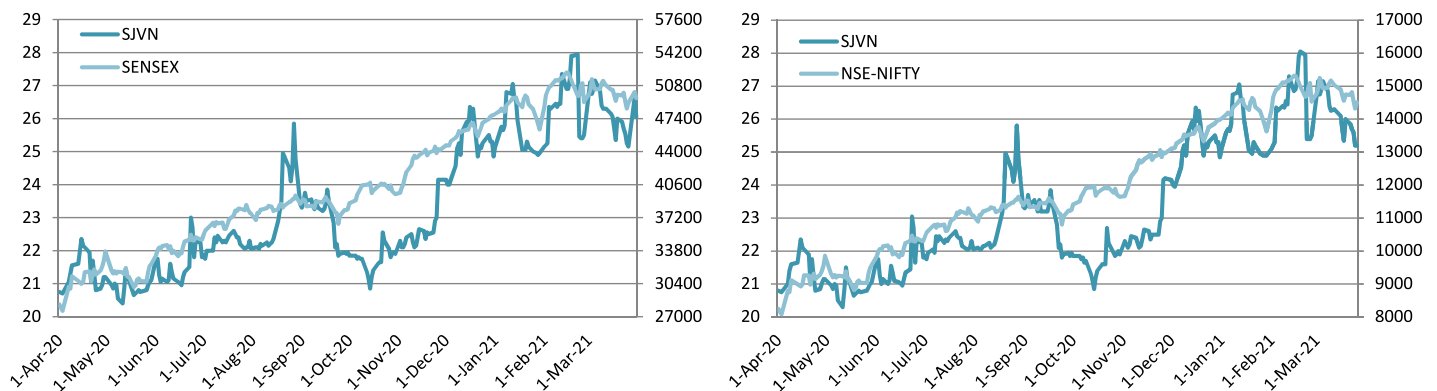
Stock Code	National Stock Exchange (NSE)-			Bombay Stock Exchange (BSE)		
	SJVN-EQ			533206		
Month	High	Low	Close	High	Low	Close
Apr-20	23.70	20.45	21.15	23.70	20.50	21.20
May-20	21.75	20.10	21.05	21.85	20.05	21.10
Jun-20	23.80	20.85	21.80	23.75	19.10	21.80
Jul-20	23.15	21.65	22.05	23.00	21.55	22.05
Aug-20	26.40	22.00	23.35	26.40	22.00	23.40
Sep-20	24.00	21.70	21.95	24.25	21.70	21.95
Oct-20	22.90	20.65	21.90	23.00	20.40	21.90
Nov-20	24.80	21.85	24.20	24.85	21.40	24.15
Dec-20	26.95	23.80	24.85	26.90	23.25	24.85
Jan-21	27.70	24.75	24.90	27.60	24.60	24.95
Feb-21	28.70	24.90	25.50	28.65	24.95	25.50
Mar-21	28.35	24.95	26.05	28.35	25.00	26.05

Performance in comparison to broad based indices NSE NIFTY and BSE SENSEX during F.Y. ended 31st March 2021.

SJVN vs SENSEX



SJVN vs NIFTY



viii. Registrar and Share Transfer Agent

Alankit Assignments Limited,

Alankit House, 4E/2 Jhandewalan Extension, New Delhi, Pincode-110055

Telephone: +911142541957, Fax No. : +911142541201

Email ID: rameshk1@alankit.com, Website: www.alankit.com

ix. Share Transfer System

A per the regulatory requirements prescribed by the Securities and Exchange Board of India (SEBI), transfer of shares shall not be processed unless the shares are held in dematerialized form with the Depository. In view of the above, Shareholders holding shares in physical form are advised to get their shares dematerialized to enable the transfer of shares.

All the activities in relation to the share transfer system are being carried out by the Registrar and Share Transfer Agent of the Company i.e., Alankit Assignments Limited.

Pursuant to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half yearly basis from Practicing Company Secretary confirming due compliance of share transfer formalities by the Company through its share transfer agent have been submitted to stock exchanges within one month from the end of half of the Financial Year.

x. Transfer of unpaid/unclaimed amounts to Investor Education and Protection Fund (IEPF)

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, details of unpaid and unclaimed amounts lying with the Company are available on the Company's web site link: <http://www.sjvn.nic.in/iepf-details.htm> and also on the website of Ministry of Corporate Affairs.

During the Financial Year 2020-21, an amount of ₹884,905.00 has been transferred to Investor Education and Protection Fund (IEPF), in respect of unpaid and unclaimed dividend amount pertaining to the Final Dividend for Financial Year 2012-13. Shareholders/beneficial owners are requested to submit the claim to R&TA without any delay or they may contact Mr. Soumendra Das, Nodal Officer and Mr. Arun Kumar Sharma, Deputy Nodal Officer for IEPF Authority, SJVN Limited, SJVN Corporate Office Complex, Shanan, Shimla - 171006, Himachal Pradesh for any query related to IEPF.

The Company has been issuing notices in the newspapers from time to time in order to invite attention of the shareholders who have not preferred their claims, to submit their claims towards the unpaid and unclaimed dividend.

xi. Demat Suspense Account

All the shares held in the demat suspense account were transferred to the demat Account of the IEPF Authority in accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules issued by the Ministry of Corporate Affairs.

xii. Claim from IEPF Account

Any person, whose shares and/or unclaimed dividend have been transferred to the IEPF, may claim the shares under provision to sub-section (6) of section 124 or apply for refund under clause (a) of sub-section (3) of section 125 or under proviso to sub-section (3) of section 125, as the case may be, to the Authority making an online application in form IEPF-5 which is available on <http://iepf.gov.in/IEPFA/corporates.html>.

xiii. Distribution of Shareholding as on 31st March 2021

As on 31st March 2021, the shareholding of the Company was held by the Government of India, Government of Himachal Pradesh and the Public as 59.92%, 26.85% and 13.23% respectively.

a. Distribution of shareholding according to size, % of holding

Sr. no.	Size (Shares)	Holders	No. of Shares	% to total shares
1	1 - 500	100728	17100196	0.44
2	501 - 1000	18618	15349104	0.39
3	1001 - 2000	13911	20319402	0.52
4	2001 - 3000	3778	9875909	0.25
5	3001 - 4000	2188	7911502	0.20
6	4001 - 5000	1904	9125722	0.23
7	5001 - 10000	2825	21349819	0.54
8	10001 - 20000	1261	18338933	0.47
9	20001 - 9999999999	1246	3810424588	96.96
	TOTAL	146459	3929795175	100

b. Shareholding pattern on the basis of ownership – Category Wise:

Sr. No.	Category	Holders	No. of Shares	%age
1	Alternative Investment Fund	2	3472000	0.00
2	Clearing Members	212	3084333	0.00
3	Domestic Companies	478	27753090	1.00
4	Employees	52	80235	0.00
5	Foreign Portfolio - Corp.	38	91551436	2.00
6	Foreign Portfolio - Ind.	1	1500	0.00
7	HUF	3796	9752565	0.00
8	Individuals	140008	166121842	4.00
9	Insurance Companies	15	56898682	1.00
10	Investor Education and Protection Fund	2	47599	0.00
11	NRI Non Rep	659	2829902	0.00
12	NRI Rep	1155	4566845	0.00
13	Other Mutual Fund	16	152346494	4.00
14	Promoters	2	3409816933	87.00
15	State Government	1	10000	0.00
16	Trusts	22	1461719	0.00
	TOTAL	146459	3929795175	100.00

c. Details of the top ten Shareholders

Sr. No.	Name of the Shareholder	No. of Shares	%age	Category
1	President of India	2354802133	59.9218	Promoters
2	Governor of Himachal Pradesh	1055014800	26.8466	Promoters
3	SBI Equity Hybrid Fund	76339578	1.9426	Other Mutual Fund
4	CPSE Exchange Traded Scheme (CPSE ETF)	36973678	0.9409	Other Mutual Fund
5	Life Insurance Corporation Of India	35529642	0.9041	Insurance Companies
6	Edgbaston Asian Equity Trust	26756105	0.6809	Foreign Portfolio-Corp.
7	ICICI Lombard General Insurance Company Ltd	18200502	0.4631	Insurance Companies
8	The Edgbaston Asian Equity (Jersey) Trust	11313198	0.2879	Foreign Portfolio-Corp.
9	FIH Private Investments Ltd	10139041	0.2580	Foreign Portfolio-Corp.
10	SBI Large & Midcap Fund	10000000	0.2545	Other Mutual Fund



xiv. Dematerialization of Shares and liquidity as on 31st March 2021

In compliance with SEBI directions, 100% of promoter / promoter group shareholdings in SJVN Limited are in dematerialized form. Reconciliation of Share Capital Audit Report of the company obtained from Practicing Company Secretary quarterly for the financial year 2020-21 has been submitted to Stock Exchanges within the stipulated time.

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

xvi. Number of Shares held by Directors and Relationships between Directors Inter-Se as on 31st March, 2021:

Sr. No.	Name of Director	No. of Shares held	Relationship between Directors Inter-Se
i.	Shri Nand Lal Sharma, Chairman & Managing Director	2457	Nil
ii.	Smt. Geeta Kapur, Director (Personnel)	Nil	Nil
iii.	Shri Surinder Pal Bansal, Director (Civil)	Nil	Nil
iv.	Shri Akhileshwar Singh, Director (Finance)	Nil	Nil
v.	Shri Sushil Sharma, (Director (Electrical))	1000	Nil
vi.	Shri Tanmay Kumar, Nominee Director (Gol)	Nil	Nil
vii.	Shri Ram Subhag Singh, Nominee Director (GoHP)	Nil	Nil
viii.	Shri Subhash Chander Negi, Independent Director	Nil	Nil
ix.	Dr. Rajnish Pande, Independent Director	Nil	Nil

xvii. Plant/ Project Office locations:

- Nathpa Jhakri Hydro Power Station** – Jhakri, Post Office Jhakri, District Shimla, Himachal Pradesh, Pincode – 172201
- Rampur Hydro Power Station** – Bayal, Post Office Koyal, Tehsil

Nirmand, District Kullu, Himachal Pradesh, Pincode – 172023

- Luhri Hydro Electric Project Stage-I** – Bithal, Post Office Shanathla, District Shimla, Pincode – 172030
- Sunni Dam Hydro Electric Project and LHEP Stage-II** – Gupta Niwas, Koldam Colony, Tehsil Sunni, District Shimla, Himachal Pradesh, Pincode – 171301
- Dhulasidh Hydro Electric Project** – House No. 21, Ward No. 1, Heera Nagar, District Hamirpur, Himachal Pradesh, Pincode – 177001
- Jangi Thopan Powari Hydro Electric Project** – Shudarang, Near DFO Office, ReckongPeo, District Kannaur, Himachal Pradesh, Pincode– 172107
- SJVN Ltd. Chenab Valley Projects** – VPO Udaipur, District Lahul Spiti, Himachal Pradesh, Pincode – 175142
- Devsari Hydro Electric Project** – Kulsari, Tehsil Tharali, District Chamoli, Uttarakhand, Pincode – 246481
- Naitwar-Mori Hydro Electric Projects** – Village Bainol, PO Mori, Tehsil Mori, District Uttarkashi, Uttarakhand, Pincode – 249128
- Jakhol Sankri Hydro Electric Projects** – Tehsil Mori, District Uttarkashi, Uttarakhand, Pincode – 249128
- Buxar Thermal Project (STPL)** – 2nd & 3rd Floor, Nav Durga Complex, Ambedkar Chowk, District Buxar, Bihar, Pincode – 802103
- Khirvire Wind Power Project** – Plot No. 12, Shivaji Nagar, Near Datta Mandir, Sinnar, District Nashik, Maharashtra, Pincode – 422103
- Charnaka Solar Power Project** – House No. 3, MI Park Society, Near MP Shah Commerce College, Vikas Path Road, Wadhawan City, Surendranagar, Gujarat, Pincode – 363035
- Sadla Wind Power Project** – House No. 3, MI Park Society, Near MP Shah Commerce College, Vikas Path Road, Wadhawan City, Surendranagar, Gujarat, Pincode – 363035
- SJVN Arun-III Hydro Electric Project (SAPDC)** – Koshi Highway, Khandwari, District Sakhwasabha, Nepal
- Kholongchu Hydro Electric Project** – Trashiyangtse, Bhutan.

xviii. Address for Correspondence:

Company Secretary, SJVN Limited,

SJVN Corporate Office Complex, Shakti Sadan, Shanan, Shimla - 171006, Himachal Pradesh
 Tel: +91 177 2660075, Fax: +91 177 2660071.
 E-mail: cs.sjvn@sjvn.nic.in , Website: www.sjvn.nic.in




CERTIFICATE ON CORPORATE GOVERNANCE

To
 The Members,
 SJVN Limited
 CIN: L40101HP1988GOI008409
 SJVN Corporate Office Complex,
 Shanan, Shimla

1. I have examined the compliance of conditions of Corporate Governance by SJVN Limited having its registered office at SJVN Corporate Office Complex, Shanan, Shimla, Himachal Pradesh- 171006, for the year ended on 31st March, 2021 as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement (s) of the said Company with stock exchange(s), and Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to review the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Regulation & Guidelines. It is neither an audit nor an expression of opinion of the Financial Statements of the Company.
3. In my opinion and to the best of my knowledge and information and according to the explanations given to me, I certify that the company has complied with the mandatory conditions of the Corporate Governance as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement(s) of the said Company with stock exchange(s) and DPE Guidelines for Corporate Governance except the Composition of Board of Director as required in Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 & Clause No. 3.1 of DPE Guidelines.
4. I further state that such compliance is 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
 Date: 27th July, 2021

For Santosh Kumar Pradhan
 (Company Secretaries)


Santosh Kumar Pradhan
 (Proprietor)
 Membership No. F-6973
 C.P. No. 7647
 P.R.C. No. 1388/2021
 UDIN: F006973C000695903

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

Conservation of Energy and Technology Absorption refers to reducing energy consumption through using less of an energy service. Energy conservation differs from efficient energy use, which refers to using less energy for a constant service. Energy conservation and efficiency are both energy reduction techniques.

Even though energy conservation reduces energy services, it can result in increased environmental quality, security, personal health and higher savings. It is at the top of the sustainable energy hierarchy. It also lowers energy costs by preventing future resource depletion.

A. CONSERVATION OF ENERGY:

1. NJHPS JHAKRI

- i. NJHPS, SJVN Ltd, Jhakri has successfully installed and commissioned one (01) MW Captive Solar Power at Wadhwa on 04.07.2020 as a step towards developing renewable energy project in the vicinity of 1500MW NJHPS with following features:
 - a. The type of PV Modules used for the Solar Power Plant are of Poly/Multi crystalline each having capacity of 315Wp (Watt Peak).
 - b. The Delta make Central Inverter of 1MW (AC) capacity have been installed. The Central Inverter have features like Switched "ON" and "OFF" automatically based on solar

radiation variations during the day, Automatic Synchronization with the GRID.

- c. The Expected Annual Energy Generation from the 1MW Solar Power Plant is 1.40 Million Units (MU) considering Annual CUF of 16%.
- d. The Power Generated from 1MW Solar Power Plant at Wadhwa has been utilized for Captive use of NJHPS for meeting the requirement of internal consumption of electricity as well as excess solar power has been evacuated to 22kV Grid of HPSEB Kotla Sub Station on Net Metering basis as per the Net Metering Agreement with HPSEB Ltd.
- ii. LED lights have been provided in the Underground Area of the Nathpa Dam which will provide better energy efficiency, illuminance and CRI.
- iii. Capacity addition of 12 kW (i.e. 2 nos. of 6 kW capacity each) in existing capacity of 54 kW roof top solar plants at NJHPS

2. RAMPUR HPS

The aspect for the conservation of energy and technology adoption has been successfully admitted and implemented in RHPs during Financial 2020-21.

- i. Conventional luminaries like sodium vapour lamp (SVL)/



metal halide lamp lighting fixture, fluorescent tubes at various locations in Duttanagar colony, office complex, power house complex, and shaft were replaced by more energy efficient and latest technology-based LED light fixture & tubes/lamps. This technology absorption resulted into Annual energy saving of approx. 88,368 kwh is achieved by this solution in FY 2020-21.

3. CORPORATE OFFICE BUILDING, SHIMLA :

In the Existing Building CHQ, Shanan, following Initiative had already been taken for Energy Conservation:

- i. 100 kWp On Grid Solar Power Plant already under operation in CHQ, Shimla and further augmentation of 20 kWp capacity of existing solar power plant is taken in FY 2021-22. Water Solar Heating System of 5000 Ltr. capacity also operating in CHQ, Shimla.
- ii. Energy Audit for the CHQ, Shimla has been carried out in FY 2020-21 to save the energy. The recommendation of Auditors is being implemented. The Building of CHQ, Shimla has intelligent/automatic illumination system with sensors to save the electricity.

The Auditorium cum Parking Building has been registered for GRIHA rating and process has been started in consultation with GRIHA consultant. GRIHA rating for existing office Building is under tendering process.

B. TECHNOLOGY ABSORPTION:

1. NJHPS JHAKRI

The following works were carried related to technology Up-gradation:-

- i. The Automatic Generation Control System (AGC) is implemented with the existing DCS system of 1500 MW NJHPS Jhakri in the interest of reliable and safe Grid Operation as per Hon'ble Central Electricity Regulatory Commission (CERC) Order in Petition No. 319/RC/2018. The Automatic Generation Control (AGC) comprises with Hardware and Software is basically a system by which the generation of Power plant will be remotely controlled by National Load Dispatch Center (NLDC), New Delhi during grid contingencies. NJHPS Power Plant and NLDC are connected through IEC 104 protocol by Power Grid laid Optical Fiber Cable (OPGW).
- ii. Successful Technology Upgradation of existing obsolete Synchrotract-4 with latest technology based Synchrotract-6 in Generating Unit # 5 & 6 has been successfully completed during APM of 2020-21.
- iii. Successful Technology Upgradation of the Control System of 02 Nos 250X50X10 T Munck Make Cranes installed at Power house consisting of followings:-
 - a. Replacement of existing Premium series PLCs with latest Modicon M251 series.
 - b. Replacement of existing ATV58 & ATV71 series VFDs with latest ATV930 series VFDs.
 - c. Replacement of existing HMI units (Alphanumeric terminals) with latest having colored touch screen with Ethernet communication facility.
 - d. Replacement of all the panels with latest switchgears and modules
- iv. Successful Technology Upgradation of the Control Panel for Gantry Crane installed at TRT consisting of followings:-
 - a. Replacement of Electrical Control system with latest control system Switchgears, Master Controllers Brakes and Motors for Gantry Crane.
 - b. Upgraded existing main supply feed system of crane from conventional cables to 100A, 4 Way GI Bus Bar systems.

- v. Successful Technology Upgradation by Replacing obsolete model M40 M-pact with latest model MPD32DW40, M-Pact M-pro for 4000Amps, 415V 3 Pole Air circuit breakers installed in old HT/LT System of NJHPS.
- vi. Successful Technology Upgradation by Replacing obsolete Cerberus Fire Alarm System (FAP-1) fire alarm system with the latest technology based Siemens make Cerberus Pro Modular Fire Alarm system (FACP)
- vii. Sensors have been installed in the upstream of the Nathpa Dam i.e. at Khab, Powari, and Wangatoo with In-house installation and telemetry system for real monitoring of the water level and flood in the Satluj River.
- viii. GSM based telemetry system has been developed In-house and established for remote monitoring of Geo-technical Sensors at Surge Shaft and TRT outfall of NJHPS from Nathpa Dam.

2. RAMPUR HPS

With the establishment of new O&M store and office at Avery, the need of seamless voice & data connectivity between store, power house & main office building was felt. For the same, a 32-channel mini exchange was established at Avery and existing exchange at HOP office Bayal was upgraded to establish wireless connectivity between these two exchanges. This technology up-gradation saved cost & complications in laying of fiber/copper cable, since these two locations are connected through PWD route from Bayal to Nirmand/Jagatkhana.

C. DIGITAL TECHNOLOGY ABSORPTION:

ERP Implementation: SAP S/4 HANA ERP has been implemented in SJVN covering major business functions of SAP ERP landscape Finance & Accounting, Plant Maintenance, Human Resource Management including Payroll and Employee Self-Service (ESS), Materials Management, Procurement and Contracts Management, Project Management, Commercial & Billing, township billing, Online Recruitment System, Performance Management System, Mobile App for Monitoring & updation of project progress of various SJVN projects, Mobile Apps for Generation data and Satluj river discharge data etc. SAP FIORI mobile app has also been launched for the employees to access useful applications on mobile.

For the automation of office work, SAP File Life Cycle Management has also been implemented.

Thin client Systems are being used in SJVN along with desktop computers and laptops.

Other Software used in SJVN to leverage technology:

1. Online Vigilance Clearance system.
2. Contract Labour Information Portal
3. E-procurement system (services availed from M/s e-procurement Technologies)
4. Autodesk Products, Bentley STAAD Pro
5. MIKE 11, Multigroundz Software package
6. ANSYS
7. Primavera
8. Libsys
9. Biometric Attendance System etc.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange outgo in terms of actual outflows during the year 2020-21 was ₹251.51 Crores (equivalent value of various currencies). Foreign exchange earned in terms of actual inflows during the year 2020-21 was Nil.



ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY FOR THE FINANCIAL YEAR, 2020-21

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

SJVN has formulated and adopted a well perceived Corporate Social Responsibility and Sustainability Policy, which is in consonance with the Companies Act, 2013 and CSR guidelines issued by DPE. The company's CSR Policy statement embeds the concerns of its stakeholders and strives to maintain a good standard of CSR and Sustainability in its business activities. To meet this commitment, SJVN will continue to respect the rule of law, local communities and societies at large, and make conscious efforts to enhance the quality of life as well as environmental sustainability through its CSR and Sustainability programs.

The CSR and Sustainability programs are implemented through a Trust registered as 'SJVN Foundation' comprising seven trustees from cross functional departments and is headed by Director (Personnel) as its Chairman. The Trust is responsible for laying down management commitments to address societal issues as well as develop framework that provides an overview of issues that SJVN needs to tackle.

In order to achieve the set targets in an efficient manner, services of specialized agencies are also taken for the implementation of CSR and Sustainability activities.

The focus areas of CSR and Sustainability programs encompass the activities as laid down under schedule VII of the Companies Act, 2013 which includes healthcare & hygiene; education & skill development; empowerment of vulnerable sections of society; promoting gender equality; infrastructure & community development; promotion & preservation of culture, heritage and sports; sustainable development; and assistance during natural disasters..

2. The composition of Corporate Social Responsibility and Sustainable Development (CSR and SD) Committee

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Sh. Subhash Chander Negi	Independent Director - Chairman of the Committee	3	3
2	Dr. Rajnish Pande	Independent Director- Member	3	3
3	Smt. Geeta Kapur	Director (Personnel)- Member	3	3

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

The Composition of CSR committee and CSR projects approved by the Board are available in public domain at <https://sjvn.nic.in/csr-committee/303>

The CSR and Sustainability policy of SJVN is available in public domain at <https://sjvn.nic.in/csr-policies/75>

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable.

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be setoff for the financial year, if any (in ₹)
Not Applicable			

6. Average Net Profit of the Company as per Section 135 (5)

The Average Net Profit of the Company for the last three financial years is as under:

SN	FYs	Net profit (Rupees in Crore)
1	2017-18	1648.37
2	2018-19	1792.54
3	2019-20	1959.36
4	Average of (1+2+3)	1800.09

7.

SN	FYs	Net profit (Rupees in Crore)
a	Two percent of average net profit of the company as per section 135(5)	36.00
b	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	0.00
c	Amount required to be set off for the financial year, if any	0.00
d	Total CSR obligation for the financial year (7a+7b-7c)	36.00



8. (a) CSR amount spent or unspent for the financial year 2020-21:

Total Amount Spent for the Financial Year	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL					

(b) Details of CSR amount spent against ongoing projects for the financial year 2020-21:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project.		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation-Direct (Yes /No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number*
1 Healthcare and Sanitation												
	a. Operation of Mobile Medical Unit (MMUS) in Project areas	(i)	Yes	HP, UK, Bihar, Maharashtra	Shimla, Kullu, Kinnaur, Hamirpur, Chamoli, Uttarkashi, Buxar, Ahmednagar	3 Years	139550776	38993110	NA	No	SJVN Foundation	
	b. Construction of Rotary Ashray Building at IGMC, Shimla	(i)	Yes	HP	Shimla	3 years	9666000	2616540	NA	No	SJVN Foundation	
	c. Construction / completion of toilets at village Nirmand, Chitkul and Naitwar	(i)	Yes	HP, UK	Kullu, Kinnaur, Uttarkashi	1 year	1549532	926574	NA	No	SJVN Foundation	
	d. Survey of Toilets constructed under SVA-NABCONS	(i)	Yes	HP, UK, Bihar, Arunachal Pradesh	All distt. in HP, UK, Bihar, Arunachal Pradesh	1 year	3776000	1888000	NA	No	SJVN Foundation	
	e. Project on the CSR Theme "School Education, Health and Nutrition" in Aspirational distt Chamba	(i)	Yes	HP	Chamba	3 years	37521000	3266000	NA	No	SJVN Foundation	
2 Education, Skill Development and Livelihood Enhancement Programs												
	a. Integrated Tribal development program for gram panchayat Bari & Tranda , Distt- Kinnaur (H.P)	(ii)	Yes	HP	Kinnaur	6 years	22233000	4556800	NA	No	SJVN Foundation	
	b. Nomination of project affected youths in Govt ITIs	(ii)	Yes	HP	Kinnaur	2 years	408000	124000	NA	No	SJVN Foundation	
	c. Installation of Grid connected Solar Power Plant at GHSS, Mundreri, Kannur (Kerala)	(ii)	No	Kerala	Kannur	2 Years	6685000	3342500	NA	No	SJVN Foundation	
	d. Project on the CSR Theme "School Education, Health and Nutrition" in Aspirational distt Chamba	(ii)	Yes	HP	Chamba	3 Years	26163000	5548200	NA	No	SJVN Foundation	
	e. Providing scholarship to students under SJVN Silver Jubilee Merit Scholarship Scheme	(ii)	Yes	HP, UK, Bihar, Gujrat, Maharashtra	All District HP and Uttarkashi, Chamoli, Buxar, Ahmednagar, Surendanagar	As per duration of Course	15000000	4762893	NA	No	SJVN Foundation	
	f. Construction of classrooms, schools at Bagsaid, Nathpa, renovation of DAV school building at Duttanagar and Himgiri Kalyan Ashram (HP)	(ii)	Yes	H.P.	Shimla, Kinnaur, Mandi	2 Years	49158374	15194877	NA	No	SJVN Foundation	
	g. Vocational Training (Plumber) at Jangji Thopan Powari HEP	(ii)	Yes	HP	Kinnaur	1 Year	442500	221250	NA	No	SJVN Foundation	
	h. Support to 5 financially challenged but talented students for IIT coaching, CSRL, Delhi	(ii)	Yes	HP	All distt. In HP	1 year	1050000	756000	NA	No	SJVN Foundation	



3 Activities related to Gender Equality, empowering women, other welfare measures schemes for women etc.												
Installation of benches through MC Shimla	(iii)	Yes	HP	Shimla	1 Year	2430000	579750	NA	No	SJVN Foundation		
4 Projects on supply and installation of eco-friendly Lights etc. in project areas, water conservation, ecological balance etc.												
a. Installation of Solar light & water tank Lagroo, High Mast light at Gawas (H.P) and drinking water supply scheme at Bainol and Naitwar (UK)	(iv)	Yes	HP, UK	Shimla, Uttarkashi	1 year	4185082	2438941	NA	No	SJVN Foundation		
b. Construction of Multipurpose Medium Height Dams in village Gount at Nahan of District, Sirmour (HP)	(iv)	No	HP	Sirmour	2 years	5000000	1055441	NA	No	SJVN Foundation		
c. Installation of 5750 LED Lights 23 assembly Constituencies of Shimla & Mandi Parliamentary Constituencies of HP	(iv)	Yes	HP	Mandi & Shimla	5 Years	128541411	26581455	NA	No	SJVN Foundation		
5 Activities related to Protection of national heritage, art and culture etc.												
a. Financial support to Statue of Unity in Gujarat	(v)	No	Gujarat	Narmada	1 year	50000000	20000000	NA	No	SJVN Foundation		
b. Handloom and weaving center at Village- Kache, GP Ponda Distt- Kinnaur	(v)	Yes	H.P.	Kinnaur	1 year	585000	414180	NA	No	SJVN Foundation		
c. Support for construction/ renovation of temples	(v)	Yes	H.P.	Shimla, Kinnaur	2 year	29316127	11126192	NA	No	SJVN Foundation		
d. Renovation uplift and repair of Sh. Chambu devta Ji Mandir Complex at Jhakri, Tehsil- Rampur Bsr. Distt- Shimla (H.P.)	(v)	Yes	H.P.	Shimla	3 years	24498131	5000000	NA	No	SJVN Foundation		
6 Financial assistance for promotion of sports in project areas.												
Financial support for improvement of playground to Yuvak mandal Dhartikanda, Shimla	(vii)	Yes	HP	Shimla	1 Year	480493	192197	NA	No	SJVN Foundation		
7 Construction of community assets in and around project area, CHQ and other areas												
a. Construction of Community Centre in the Temple Complex of Duttatreya Temple, Gram Panchayat Duttanagar, Tehsil Rampur, Distt. Shimla (H.P).	(x)	Yes	HP, UK	Shimla, Kullu, Hamirpur, Uttarkashi	1 Year	11141470	5542530	NA	No	SJVN Foundation		
b. Construction of Shops and Pavilion at Sujnapur (HP)	(x)	Yes	HP	Hamirpur	2 year	6188000	4950400	NA	No	SJVN Foundation		
c. Construction of Mahila Mandal Bhawan Dhoba	(x)	Yes	HP	Kullu	3 years	3,20,000	2,84,000	NA	No	SJVN Foundation		
d. Repair work at Yogoda Satsang Sansthan, Shimla	(x)	Yes	HP	Shimla	3 Years	1447926	579170	NA	No	SJVN Foundation		
e. Financial support for const. of community hall of Garhwal Sabha at Ramnagar, Shimla (HP)	(x)	Yes	HP	Shimla	3 Years	1000000	400000	NA	No	SJVN Foundation		
7 Various Disaster Management and relief measures to combat COVID-19												
a. Construction of Fodder / Wood Storage room to 3579 families to prevent damage from fire in Mori, UK.	(xii)	Yes	UK	Uttarkashi	3 years	132820268	30000000	NA	No	SJVN Foundation		
b. Financial support for procurement & installation of Cold chain equipments in HP	(xii)	Yes	HP	All distt. In HP	1 years	9526300	5424300	NA	No	SJVN Foundation		
c. Financial assistance to Community Hospital for various medical infrastructural facilities at Jogindernagar	(xii)	Yes	HP	Mandi	2 years	1525000	612932	NA	No	SJVN Foundation		
TOTAL						722208390	197378232	NA				

Note: * CSR registration is under process as per the CSR Amendment Rules.



(c) Details of CSR amount spent against other than ongoing projects for the financial year 2020-21:

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes / No)	(5) Location of the project.		(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation -Through implementing agency	
				State	District			Name	CSR Registration number*
1	Healthcare and Sanitation								
	a. Various Healthcare Initiatives including Health Camps, Running of MMUs, Dental Clinic & physiotherapy Center, support to Health Institutes etc.	(i)	Yes	HP, UK, Bihar	Shimla, Kinnaur, Kullu, Uttarkashi, Chamba, Hamirpur, Kangra, Bilaspur, Mandi, Buxar	24510879	No	SJVN Foundation	
	b. Hygiene and Sanitation Related activities such as implementation of Swachhta Action Plan, Construction and Maintenance of Toilets, other swachhta/hygiene promoting activities	(i)	Yes	HP, UK, Bihar, Maharashtra, Gujarat	Shimla, Kullu, Hamirpur, Kinnaur, L&S, Uttarkashi, Chamoli, Buxar, Patan, Surendernagar	12246508	No	SJVN Foundation	
2	Education, Skill Development and Livelihood Enhancement Programs								
	a. Sponsorship of project affected youths in Govt ITIs and Polytechnic	(ii)	Yes	HP, UK, Bihar	Shimla, Kullu, Mandi, Hamirpur, Kangra, Buxar, Chamoli	5028966	No	SJVN Foundation	
	b. Scholarship to meritorious students and sportsperson of Kinnaur and Spiti	(ii)	Yes	HP	Kinnaur	1902000	No	SJVN Foundation	
	c. Skill Development Programs through empaneled agency, specialized agencies for farmers, local youths etc.	(ii)	Yes	HP	Shimla, Kullu, Kinnaur	3577398	No	SJVN Foundation	
	d. Other education related activities such as observance of Awareness Program on Constitution /fundamental rights, setting up libraries, support to children science congress etc	(ii)	Yes	HP, UK, Bihar, Maharashtra, Gujarat	Shimla, Kullu, Mandi, Kinnaur, Spiti, Kangra, Chamoli, Uttarkashi, Surendernagar, Ahmednagar	14507299	No	SJVN Foundation	
3	Activities related to Gender Equality, empowering women, other welfare measures schemes for women etc.	(iii)	Yes	HP	Shimla, Kinnaur, Kullu	336501	No	SJVN Foundation	
4	Projects on supply and installation of eco-friendly Lights etc. in project areas, water conservation, ecological balance etc.	(iv)	Yes	HP, UK	Shimla, Kullu, Mandi, Kinnaur, Hamirpur, Uttarkashi	5681221	No	SJVN Foundation	
5	Activities related to Protection of national heritage, art and culture etc.								
	a. Preservation and Promotion of Culture, support to other culture events /places	(v)	Yes	HP, UK, Bihar	Shimla, Kullu, Uttarkashi, Buxar	5276643	No	SJVN Foundation	
	b. Traditional Handloom & Handicraft training programme in Project affected villages.	(v)	Yes	HP, UK	Shimla, Kinnaur, Uttarkashi	2030600	No	SJVN Foundation	
6	Measures for the benefits of the armed forces veteran, war widows and their dependents	(vi)	Yes	HP	Kangra	342200	No	SJVN Foundation	
7	Financial assistance for promotion of sports in project areas.	(vii)	Yes	HP, UK	Shimla, Kullu, Kinnaur, Chamoli, Uttarkashi	3027368	No	SJVN Foundation	
8	PM CARES FUND	(viii)	Yes	Delhi	Delhi	200000000	No	SJVN Foundation	
9	Contribution for incubators to IIT, Mandi (H.P)	(ix)	Yes	HP	Mandi	4000000	No	SJVN Foundation	
10	Construction of community assets in and around project area, CHQ and other areas	(x)	Yes	HP, UK, Bihar	Shimla, Kinnaur, Mandi, Kullu, Hamirpur, Uttarkashi, Buxar	8178085	No	SJVN Foundation	
11	Skill development training for economic upliftment of slum dwellers.	(xi)	Yes	Delhi	Delhi	500000	No	SJVN Foundation	
12	Various Disaster Management and relief activities								
	a. Various COVID-19 relief measures including assistance to State Disaster Management Authority	(xii)	Yes	HP, UK, Bihar, Maharashtra, Gujarat, Delhi	Shimla, Kullu, Hamirpur, Kinnaur, Mandi, Buxar, Ara, All Districts of UK, Surendernagar, Delhi	36964619	No	SJVN Foundation	
	b. Assistance provided to fire victims of Purbani village	(xii)	Yes	HP	Kinnaur	258081	No	SJVN Foundation	
	TOTAL					328368368			

Note: * CSR registration is under process as per the CSR Amendment Rules.

(d) Amount spent in Administrative Overheads

: ₹20,10,149/-

(e) Amount spent on Impact Assessment, if applicable

: ₹9,67,836/-

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)

: ₹52,87,24,585/-



(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹ Crore)
(i)	Two percent of average net profit of the company as per section 135(5)	36.00
(ii)	Total amount spent for the Financial Year	52.87
(iii)	Excess amount spent for the financial year [(ii)-(i)]	16.87
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	16.87

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
Not Applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project -Completed /Ongoing
1	SJVN-NJHPS-CSR-001	Renovation uplift and repair of Sh. Chamu devta Ji Mandir Complex at Jhakri, Tehsil- Rampur Bsr. Distt- Shimla (H.P.)	2018-19	3 years	24498131	5000000	20000000	Ongoing
2	SJVN-NJHPS-CSR-002	Strengthening and augmentation of Infrastructural and Other facilities in ITI-Rampur Bsr. Distt- Shimla (H.P.)	2018-19	3 years	9984200	0	4992100	Ongoing
3	SJVN-NJHPS-CSR-003	Financial assistance for Bodh Mandir Sangla, Distt. Kinnaur, H.P.	2019-20	1 year	2962000	888600	888600	Ongoing
4	SJVN-NJHPS-CSR-004	Operation of Mobile Medical Unit (MMUS) in Project areas Distt. Shimla and Kinnaur, H.P.	2019-20	3 Years	96861608	25420649	5138170	Ongoing
5	SJVN-NJHPS-CSR-005	Financial assistance for Sapni Fort, Distt. Kinnaur, H.P.	2019-20	2 years	9311000	2500000	5000000	Ongoing
6	SJVN-NJHPS-CSR-006	Construction of toilet block with water stand in Chitkul Devi Temple, Distt. Kinnaur, H.P.	2019-20	1 year	906009	724807	724807	Ongoing
7	SJVN-LHEP-CSR-001	Financial support to Rotary for construction of Rotary Ashray Building at IGMC, Shimla	2018-19	3 years	9666000	2616540	8533000	Ongoing
8	SJVN-LHEP-CSR-002	Construction of Sewerage system at village Sainj, Distt. Kullu, H.P.	2018-19	3 years	5,00,000	0	150000	Ongoing
9	SJVN-LHEP-CSR-003	Construction of Sarai Bhawan, Devta Shri Marichi Mandir, Kumarsain, H.P.	2017-18	4 years	25,00,000	0	2250000	Ongoing
10	SJVN-LHEP-CSR-004	Construction of Mahila Mandal Bhawan Dhoba, H.P.	2018-19	3 years	3,20,000	2,84,000	284000	Ongoing
11	SJVN-DSHEP-CSR-001	Adrash Gram Yojna Tehsil Lad Bharol, Distt Mandi, H.P.	2019-20	3 years	7023663	0	2809465	Ongoing
12	SJVN-JTPHEP-CSR-001	Sponsorship of project affected youths in Govt ITIs, Distt. Kinnaur, H.P.	2019-20	2 years	408000	124000	312090	Ongoing
13	SJVN-CHQ-CSR-001	Construction of Gynamsium at Ramgaria Sabha, Lower Kaithu, Shimla, H.P.	2019-20	3 Years	3292000	0	658400	Ongoing
14	SJVN-CHQ-CSR-002	Project on the CSR Theme "School Education, Health and Nutrition" in Aspirational distt Chamba	2019-20	3 years	37521000	3266000	20391000	Ongoing
15	SJVN-CHQ-CSR-003	Construction of new School building cum Home for special children at Dhalli Shimla	2016-17	6 Years	82799000	0	51800000	Ongoing
16	SJVN-CHQ-CSR-004	Financial support for const. of Hostel Block in HP Law University, Shimla (HP)	2019-20	3 Years	108000000	0	54000000	Ongoing
17	SJVN-CHQ-CSR-005	Installation of Grid connected Solar Power Plant at GHSS, Mundreri, Kannur (Kerela)	2019-20	2 Years	6685000	3342500	6016500	Ongoing
18	SJVN-CHQ-CSR-006	Project on the CSR Theme "School Education, Health and Nutrition" in Aspirational distt Chamba	2018-19	3 Years	26163000	5548200	24015200	Ongoing
19	SJVN-CHQ-CSR-007	Providing scholarship to students under SJVN Silver Jubilee Merit Scholarship Scheme	2017-18	As per duration of Course	15000000	4762893	4762893	Ongoing
20	SJVN-CHQ-CSR-008	Skill Development Training to local youths through NSDC in H.P., U.K. and Bihar.	2019-20	3 Years	18939226	0	18198130	Ongoing
21	SJVN-CHQ-CSR-009	Installation of 5750 LED Lights 23 assembly Constituencies of Shimla & Mandi Parliamentary Constituencies of HP	2017-18	5 Years	128541411	26581455	92707277	Ongoing
22	SJVN-CHQ-CSR-010	Construction of Shree Mahakali Mata Temple & railing around at Deondar, Tehsil-Chopal (HP)	2018-19	3 Years	5054000	0	2021678	Ongoing



23	SJVN-CHQ-CSR-011	Construction/Improvement of link road from NH-22 to Village Shanan & addl work reg. provision of duct system for cabling and culvert and channelization of Nallah, Shimla (HP)	2018-19	3 Years	20942817	0	17197364	Ongoing
24	SJVN-CHQ-CSR-012	Development of Rani Ground at Kasumpti, Parimahahal, Shimla, HP	2018-19	3 Years	15053399	0	12522162	Ongoing
25	SJVN-CHQ-CSR-013	Construction of Ambulance road from main road to Village Kawalag in GP, Pujalri, Distt. Shimla (HP)	2018-19	2 Years	1000000	0	800000	Ongoing
26	SJVN-CHQ-CSR-014	Construction of community hall at Ramnagar Distt. Shimla (HP)	2018-19	3 Years	1000000	0	400000	Ongoing
27	SJVN-CHQ-CSR-015	Repair work at Yogoda Satsang Sansthan, Shimla (HP)	2019-20	3 Years	1447926	579170	1158341	Ongoing
28	SJVN-CHQ-CSR-016	Financial support for const. of community hall of Garhwal Sabha at Ramnagar, Shimla (HP)	2018-19	3 Years	1000000	400000	800000	Ongoing
29	SJVN-CHQ-CSR-017	Constuction of Fodder / Wood Storage room to 3579 families to prevent damage from fire in Mori, Distt. Uttarkashi, UK.	2018-19	3 years	132820268	30000000	80000000	Ongoing
TOTAL					770199658	112038814	438531177	



10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year.- NIL

(asset-wise details)

- (a) Date of creation or acquisition of the capital asset(s).
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

The Company has spent full two percent of the average net profit as per section 135 (5).

 (Smt. Geeta Kapur) Director (Personnel) DIN: 08213642	 (Shri Subhash Chander Negi) Chairman CSR, SD and R&D Committee DIN: 01830394
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BUSINESS RESPONSIBILITY REPORT

Section A: General Information about the Company

Corporate Identity Number (CIN) of the Company	L40101HP1988GOI008409
Name of the Company	SJVN Limited
Registered address	SJVN, Corporate Office Complex, Shanan Shimla – 171006, (HP)
Website	www.sjvn.nic.in
E-mail ID	cs.sjvn@sjvn.nic.in
Financial Year reported	2020-21
Sector(s) that the Company is engaged in (industrial activity code-wise)	Power Generation (35101)
List three key products/ services that the Company manufactures/provides (as in balance sheet)	(i) Generation of Electricity (Hydro, Wind, Solar) (ii) Consultancy (iii) Transmission
Total number of locations where business activity is undertaken by the Company i. Number of International Locations ii. Number of National Locations	2 nos 14 nos
Markets served by the Company - Local/State/ National/International	National & International (As regard to execution of the Projects, it is National and International while regard to market beneficiaries, it is National).

Section B: Financial Details of the Company (as on March 31, 2021)

Paid up Capital (INR)	₹ 3,929.80 Crore
Total Turnover (INR) (Revenue from Operations)	₹ 2490.83 Crore
Total profit after taxes (INR)	₹ 1,633.04 Crore
Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the FY 2020-21, SJVN has spent ₹ 52.87 Crore which is more than 2% of the average stand-alone PBT as per Section 135 of the Companies Act 2013 Act in line with Rule 2(f)(ii) of Companies (CSR Policy) Rules, 2014.
List of CSR activities in which expenditure has been incurred:-	<p>Broad areas of the activities:</p> <ul style="list-style-type: none"> • Eradicating hunger, poverty and malnutrition, promoting healthcare including preventive health care and sanitation including contribution to Swacchh Bharat Kosh set up by Central Govt. for the promotion of sanitation and making available safe drinking water • Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects. • promoting gender equality, empowering women, setting up

<p>homes and hostels for women and orphans; setting up old age homes, day care centres and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups.</p> <ul style="list-style-type: none"> • ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga • protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts; • Rural Development Projects • Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports • Measures for the benefit of armed forces veterans, war widows and their dependents, [Central Armed Police Forces (CAPF) and Central Para Military Forces (CPMF) veterans, and their dependents including widows] • Disaster management, including relief, rehabilitation and reconstruction activities.

Section C: Other Details

Does the Company have any Subsidiary Company/ Companies?	Yes, The Company has following two Subsidiary Companies as on 31.03.2021 i. SJVN Thermal Private Limited ii. SJVN Arun-III Power Development Company Private Limited.
Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Business Responsibility initiatives of the parent company are applicable to all subsidiary companies of SJVN.
Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? (Less than 30%, 30-60%, More than 60%)	No, none of the entities that the Company does business with participate in the BR initiatives of the Company.



Section D: BR Information

1. Details of Director responsible for BR

a) Details of the Director responsible for implementation of the BR policies

DIN Number	03495554
Name	Sh. Nand Lal Sharma
Designation	Chairman and Managing Director

b) Details of the BR head

S.No.	Particulars	Details
1.	DIN Number (if applicable)	03495554
2.	Name	Sh. Nand Lal Sharma
3.	Designation	Chairman and Managing Director
4.	Telephone number	0177-2660010
5.	E-mail id	nandlal.sharma@sjvn.nic.in

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate

Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

- P1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
- P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
- P3 - Businesses should promote the well-being of all employees.
- P4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5 - Businesses should respect and promote human rights.
- P6 - Businesses should respect, protect, and make efforts to restore the environment.
- P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
- P8 - Businesses should support inclusive growth and equitable development.
- P9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sl. No.	Questions	Business Ethics	Product Responsibility	Wellbeing of Employees	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/ policies for...	Y	Y	Y	Y	Y	Y	Y	Y	No
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	-
3	Does the policy conform to any national /international standards?	Y	Y	Y	Y	Y	Y	Y	Y	-
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	-
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	-
6	Indicate the link for the policy to be viewed online?	(i)	(i)	(i)	(i)	(i)	(i)	(i)	(i)	-
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	-
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	-
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	-
10	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	-

(i) Web Links for the Policies:

All the policies of the Company required to be statutorily displayed on the website can be found under the Investors Relations section of our website at <http://sjvn.nic.in/code-of-corporate-governance.htm>



2a. If answer to S.No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Principle 9: All the sub-principles identified under principle -9 are duly followed by company through its commercial systems and procedures. However, Company feels that a separate Policy on Principle -9 is not required because:

- The Company supplies power to the Bulk Customers (State Electricity Distribution companies) majority of which are owned by the respective State Govts.
- The CERC, while finalizing Tariff and other Regulations engages all Stakeholders and takes views of them. CERC Tariff Regulations and relevant orders are being displayed on CERC Website www.cercind.gov.in.
- The Company & Our bulk customers i.e. Discoms works under Regulated Environment. SJVN strives for supplying cheapest power deploying all resources optimally in best possible ways resulting in well being of customers & society.
- The company being a Government company is also subject to the various checks and balances mechanism such as audits etc.
- CERC while determining the tariff of SJVN Power stations does prudence check on the costs of company.
- SJVN never restricts the freedom of choice and free competition in any manner while supplying bulk Power.
- Needs of the customers is taken into account and accordingly PPA are signed and Allocation of Power is made by Ministry of Power as per existing guidelines & Policy to meet the requirement of customers. Unallocated quota of power is allocated by MoP as per demand and requirement of different States hence always keep customer first.
- Power Supply regularity, Performance and all other Commercial parameters are governed by Central Electricity Regulatory Commission and the company always excels in satisfying customers by disclosing all relevant information.
- Issues, if any, regarding operational issues etc. are being discussed and resolved in common forums such as Regional Power Committees.
- The company has developed a Customer Satisfaction Index (CSI), which is evaluated through a questionnaire and based on the feedbacks received, actions are taken.

The company engages with customers and provides value to the customers in a responsible manner.

3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

Within 3-6 months

- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Business Responsibility Report is published as a part of Annual Report from FY 2016-17 onwards and the same is being hosted on the website of the Company i.e., www.sjvn.nic.in as part of the Annual Report under the Investor Relations Section. This report shall be published annually.

Section E: Principle-wise performance

Principle 1

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?

Integrity pact was implemented in SJVN in the year 2011. A MOU was signed between SJVN and Transparency International India (TII) for implementation of Integrity Pact. To oversee, the implementation of Integrity Pact, a panel of Independent External Monitors is appointed which is being looked after by Civil Contracts Department. Presently, Smt. Archana Pandey Tiwari and Sh. Shitala Prasad Srivastava have been appointed as Independent External Monitors (IEM) in SJVN.

Conduct Discipline and Appeal Rules are applicable to all employees of SJVN.

SJVN implemented Whistle Blower Policy in the year 2011. The objective of Whistle Blower Policy is to strengthen a culture of transparency and trust in the organization and to provide employees with a framework/procedure for reporting concern about unethical behaviour, actual or suspected fraud and secure reporting of improper activities/serious irregularities within the company.

SJVN introduced Fraud Prevention and Detection Policy and the policy applies to any fraud, or suspected fraud involving employees of SJVN including its Subsidiaries (all full time, part time, on deputation or employees appointed on adhoc / temporary / Ex-employee working as advisor/consultant/contract basis including functional Directors) as well as vendors, suppliers, contractors, consultants, lenders, borrowers, service providers, Customers or any outside agency(ies) doing any type of business with SJVN.

To encourage de-centralization of power and transparency in working, SJVN have well defined 'Delegation of Powers'.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

There were no complaints on Human Rights such as Child Labour, Forced Labour, Involuntary Labour, Sexual Harassment, discrimination etc. as on 31.03.2021.

Principle 2

1. List up to 3 of your products or services whose design has incorporated social or environment concerns, risks and/ or opportunities.

The prime business of SJVN is generation of electricity through hydropower which is clean energy resulting in reduction in the use of fossils fuels. SJVN has generated 9094.26 MUs of energy from Hydro Electric projects during FY 2020-21. Additionally, SJVN is also producing electricity through wind and solar power plants (129.23 MUs generated during FY 2020-21) and transmission of power through a JV with SJVN's equity of 26%. Govt. of India is putting more thrust on generating energy from wind and solar energy sources for which a target of 175 GW by 2022 has been set. Therefore, there are huge opportunities for SJVN to grow in this area.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- i. Reduction during sourcing / production/ distribution achieved since the previous year throughout the value chain?
- ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Hydro power is generated by using water which is flowing continuously through the rivers. In addition, wind power projects use wind flow and solar power projects use sun light both of which are naturally available.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

SJVN provides a holistic environment of sustainable sourcing for material/ equipments/ services required in development and O&M of its power projects. Integrated relationships have been with contractors,



suppliers, vendors, etc. to manage the various risks. Every year SJVN organizes the vendor development meet/ seminar to develop the integrated relations with contractor/ suppliers/ vendors and provides the knowledge about sustainable sourcing.

Further, SJVN has developed two hydro - projects in the past (Nathpa Jhakri HEP and Rampur HEP), both of which were funded by the World Bank. In World Bank funded projects, the procedures for sourcing (viz. call of tenders up to selection of Contractors) are based on the Standard procedure of the Bank and accordingly the same were followed. Presently, Standard Bid Document of SJVN is being followed wherein Bidder Selection procedure, Labour laws, Safety procedure and Environmental concerns have been incorporated suitably in line with industry practices for main works packages after discussions with various peer PSUs in the sector and incorporating CVC and Ministry guidelines in vogue.

Moreover, MoU was signed by the company with Transparency International India for implementation of the Integrity Pact Programme in January, 2011, which leads to following tangible and intangible benefits:

- Greater transparency and integrity between organization and bidders/ contractors.
- Improved sense of ethics in organization and contractors.
- Reduction in complaints by bidders.
- Expeditious conclusion of tendering process.
- Reduction in various external interventions.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

SJVN has been engaging locals around the projects/offices for activities such as vehicle hiring, material handling, hospitality, housekeeping, waste handling and horticulture. This has created direct and indirect employment of local populace and also led to entrepreneur development.

Apart from this, SJVN had adopted a Public Preference Policy for Micro & Small Enterprises (MSE) on the lines of Public Procurement Policy of the Central Government. As per the policy, SJVN is required to procure a minimum of 25% of total annual procurements from MSEs, out of which 5% is to be procured from MSEs owned by Schedule Caste/Schedule Tribe entrepreneurs and 3% from MSEs owned by Women entrepreneurs. In compliance to this policy, SJVN, during the FY 2020-21, had procured 54.36% of its annual procurement from MSEs out of which 4.49% was procured from MSEs owned by SC/ST entrepreneurs & 1.88% from MSEs owned by Women entrepreneurs. Two (2) Nos. Vendor Development Programmes have been organized at Project Level to improve the capacity & capability of local and small vendors.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so?

Electricity is the only product generated by the company, which is not stored and is not in physical form. However, various wastes generated during electricity production like batteries, used oils/lubricants, etc., are recycled through suppliers/vendors or have been stored effectively for their disposal through the authorized recyclers Solid waste scrap, steel, tyres, etc., is sold through an auction which is facilitated by MSTC Ltd. (Metal Scrap Trading Corporation). Furthermore, organic waste generated from canteens or township is being recycled for making compost/biogas. Various methodologies like organic waste converter, vermin-composting, bio-methanation, etc., are in place for the same. The company has also inventoried its e-waste and has been filing returns for its projects/offices to the concerned SPCBs.

Principle 3

1. Please indicate the total number of employees.

As on March 31, 2021 there were 1423 employees in SJVN.

2. Please indicate the total number of employees hired on temporary/contractual/casual basis.

SJVN does not hire employees on temporary / casual basis. The numbers of workers with Contractors are dynamic in nature and vary from time to time.

3. Please indicate the number of permanent women employees.

As on March 31, 2021, there were 149 permanent women employees on the rolls of the company.

4. Please indicate the number of permanent employees with disabilities.

As on March 31, 2021, there were 30 differently abled employees on the rolls of the company.

5. Do you have an employee association that is recognized by management?

The 'SJVN Employees Association' and the 'SJVN Employees Union' are the two Unions recognized by the Management.

6. What percentage of your permanent employees is members of this recognized employee association?

About 55-60% of the permanent employees in the Workmen Category are members of the recognized Union.

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S.No.	Category	No of complaints filed during the financial year	No of complaints pending as on March 31, 2021
1	Child labour / forced labour / involuntary labour		Nil
2	Sexual harassment		
3	Discriminatory employment		

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

- Permanent Employees 65.31%
- Permanent Women Employees 83.75%
- Casual/Temporary/Contractual Employees 0%
- Employees with Disabilities 72%

Principle 4

1. Has the company mapped its internal and external stakeholders?

Yes

2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?

Yes. The company also has a well-structured R&R and CSR Policy to take care of the disadvantaged, vulnerable & marginalized people in and around the project areas.

Vulnerable category of persons has also been detailed in the Company's CSR and R&R Policies. Company 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. They are identified through various surveys and consultations with stakeholders at the time of formulation of R&R and CSR plans.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

Yes. The company has always been sensitive to the needs of disadvantaged, vulnerable and marginalized stakeholders. As part of R&R and CSR plans, special schemes for the welfare and upliftment of this section of the society have been conceived and implemented in and around project areas. Initiatives include distribution of aids and appliances to the disabled, vocational training to women, Women and Child Development scheme, health schemes, etc.

Principle 5

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

Human Resource Policies are applicable to employees of SJVN including those posted in Subsidiaries of SJVN

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

There were no complaints on Human Rights such as Child Labour, forced Labour, Involuntary Labour, Sexual Harassment, discrimination etc. as on 31.03.2021.

Principle 6

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others?**

The Environment Policy of the company directly covers all activities undertaken by SJVN. However, concerning subsidiary and associate companies, the policy states that "Each subsidiary and associate company will be encouraged to put in place similar arrangements to enable compliance to be reported on half-yearly basis."

2. **Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

Yes, SJVN is committed to generating reliable eco-friendly power employing state of art technology, excellence in engineering and continual improvement in quality management. The Company predominantly deals with hydropower generation which in itself is clean power and reduces the greenhouse gas emission vis-à-vis fossil fuel energy.

Besides, the company has also explored other avenues of clean energy generation and has already set up wind and solar power plants and is further expanding in this field to reduce the carbon foot print and contribute towards mitigation of global environmental issues such as climate change and global warming.

The details are available at SJVN website <https://sjvn.nic.in/environmentpolicy/49>.

3. **Does the company identify and assess potential environmental risks?**

Yes, SJVN is committed to sustainable development with a strong environmental conscience and corporate vision. For every hydro project, comprehensive Environmental Impact Assessment (EIA) studies are carried out by SJVN through NABET accredited external agencies to identify and assess potential impacts and benefits. Based on the assessment, detailed Environment Management Plans (EMP) are formulated and implemented to minimize the adverse impacts of projects during the construction and operation phase.

4. **Does the company have any project related to Clean**

Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

The Company is pioneer in undertaking climate change issues ardently. The company has taken following initiatives under CDM Projects in Power Sector.

- Rampur HEP (412 MW) commissioned in Himachal Pradesh by the company was registered with the "United Nations Framework Convention on Climate Change (UNFCCC)" as a Clean Development Mechanism (CDM) Project in 2011. The Project has resulted in Emission Reduction (ERs) of 1.4 million per annum i.e. in saving of 1.4 Million tons of CO2 per year.
- Khirvire Wind Power Project (47.6 MW) has been registered with UNFCCC since December 2016.

5. **Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N? If yes, please give hyperlink for web page etc.**

Yes, owing to its endeavor to promote efficient use of resources and contribute towards reduction of Green House Gas (GHG) emissions as laid down in SJVN's Environment Policy, the company has taken up several initiatives on clean technology, energy efficiency, renewable energy, etc., which are as follows:

- The company has developed 47.60 MW Khirvire Wind Power Project in Maharashtra and 50 MW Sadla Wind Power Project in Gujarat.
- 5.6 MW Charanka Solar Power Project has been developed by the company in Gujarat.
- The company has set up 1.3 MW Solar Power Project at NJHPS in Himachal Pradesh.
- The company has commissioned 60 KW Solar Power Plant at Rampur Hydro Power Station (RHPS).
- The company has also adopted different measures in the field of energy efficiency, which include usage of energy efficient LED lights, automatic voltage regulators, replacement of resistance type fan regulators with electronic type, motion sensing automatic lighting system at various buildings and locations; replacement of lift water scheme with gravity water scheme for NJHPS township.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

All the legal requirements related to emission and waste generation are being complied by the company and compliance reports are periodically submitted to concerned authorities such as MoEF&CC, SPCB, etc. Environment monitoring of projects is carried out regularly by the regulatory authorities as well as SJVN through its internal monitoring mechanism. For this purpose, the company has established an Environment Laboratory at Jhakri, which presently caters to both the operational hydro projects of the company and will further be utilized by upcoming projects of SJVN in the vicinity.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on March 31, 2021.**

No show cause/legal notice is pending as on March 31, 2021.

Principle 7

1. **Is your company a member of any trade and chamber or association?**

SJVN works in partnership with Industry bodies and associations relevant to our business and interests, as a part of our efforts to deliver the best value for our Customers. In furtherance of these, membership of some Trade/Chamber/ Association is taken namely – SCOPE, ASSOCHAM, FICCI, CII, Tunneling Association of India (TAI), DELNET, INCOLD, CBIP.



2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reform, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

SJVN supports the initiatives taken by above Associations in their endeavors for the advancement or improvement of public good.

Principle 8

1. Does the company have specified programmes / initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

The focus area of CSR and Sustainability encompasses the activities as laid down under Schedule VII of the Companies Act, 2013. For translating the vision and mission of the company in this field, SJVN Foundation has been engaged in addressing a whole gamut of emerging social issues by designing and implementing intervention programs. The CSR interventions are undertaken in the areas of health & hygiene, education and skill development, infrastructural and community development, sustainable development, response to natural calamities, preservation of culture, sports & heritage and upliftment of vulnerable groups like women and differently abled persons.

2. Are the programmes / projects undertaken through in-house team/ own Foundation/ external NGO/ Govt. structures/ any other organizations?

The CSR programs are undertaken in collaborating manner through internal and external agencies. The programs are undertaken through Village Development Advisory Committees (VDAC), departmentally, PRIs, specialized expert agencies, NGOs, Govt. agencies, etc.

3. Have you done any impact assessment of your initiative?

SJVN has developed and implemented a well laid down internal and external mechanism for monitoring and impact evaluation. Latest Impact Assessment Study was carried out through M/s HIMCON for CSR Programs. Further monitoring and evaluation is also done through independent external monitors from time to time.

4. What is your company's direct contribution to community development projects-Amount in INR and the details of the projects undertaken?

Community development initiatives are undertaken in an institutionalized manner. The community participation is ensured at all stages and levels.

During the FY 2020-21, an amount of ₹46.67 Crores was kept for CSR and Sustainability activities which is over and above the 2.00% of the average net profit of SJVN during last three years i.e. ₹36.00 Crores. In addition, ₹6.92 Crores was also spent thus making the total expenditure on CSR and Sustainability activities during FY 2020-21 to ₹53.59 Crores. The projects were undertaken in the areas of health & hygiene, education and skill development, infrastructural and community development, sustainable development, PM CARES FUND, response to natural calamities (including relief measures for COVID-19), preservation of culture, sports & heritage. The details of major projects undertaken during FY 2020-21 are given in Annexure-V.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The community development projects are implemented through specialized agencies. The implementation process involves the participation of community at all levels and the benefit to the community is ensured by robust monitoring and evaluation mechanism.

Principle 9

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

As on 31st March, 2021, there were no complaints from any Beneficiary to whom power is being supplied from O&M projects.

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

Not Applicable.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on March 31, 2021. If so, provide details thereof, in about 50 words or so

There are no cases filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on March 31, 2021.

4. Did your company carry out any consumer survey/consumer satisfaction trends?

SJVN conducts a Customer Satisfaction Survey every year to assess the satisfaction level of the customers, captured through an index and to get feedback from the customers.



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
SJVN LIMITED
SJVN Corporate Office Complex,
Shanan, Shimla – 171006
Himachal Pradesh

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SJVN Limited having CIN L40101HP1988GOI008409 and having registered office at SJVN Corporate Office Complex, Shanan, Shimla – 171006, Himachal Pradesh (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.N.	NAME	DIN	DATE OF APPOINTMENT IN COMPANY
1	Sh. Nand Lal Sharma	03495554	22-03-2011
2	Mrs. Geeta Kapur	08213642	18-10-2018
3	Sh. Surinder Pal Bansal	07239609	01-04-2019
4	Sh. Akhileshwar Singh	08627576	06-01-2020
5	Sh. Ram Subhag Singh	02659274	20-01-2020
6	Sh. Subhash Chander Negi	01830394	25-03-2019
7	Sh. Rajnish Pande	08406125	29-03-2019
8	Sh. Tanmay Kumar	02574098	11-06-2020
9	Sh. Sushil Sharma	08776440	01-08-2020

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For SGS ASSOCIATES
Firm Regn. No. S2002DE058200
Company Secretaries



CS D.P. Gupta
M N FCS 2411
C P No. 1509
ICSI UDIN No. F002411C000429233
ICSI PR No. 1194/2021

Date: 7th June, 2021
Place: New Delhi



FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

[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
CIN:L40101HP1988GOI008409
SJVN Corporate Office Complex, Shanan,
Shimla, Himachal Pradesh - 171006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SJVN LIMITED (CIN:L40101HP1988GOI008409)** (hereinafter called the "Company") having Registered Office at SJVN Corporate Office Complex, Shanan, Shimla, Himachal Pradesh - 171006. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2021 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder.
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder.
- (iii) The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External commercial Borrowings.
- (v) 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, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments thereto from time to time; **(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)**.

We 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 - Compliances/processes/systems under other specific applicable Laws (as applicable to the industry) to the Company are being verified on the basis of bi-annually certificates submitted to the Board of Directors of the Company.

We have also examined compliance with the applicable clauses/regulations of the following:

- (i) Secretarial Standards viz. SS-1 and SS-2 as issued by The Institute of Company Secretaries of India (ICSI),
- (ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 as amended from time to time.
- (iii) Guidelines on Corporate Governance for CPSE as issued by Department of Public Enterprises.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc., mentioned above, subject to our below mentioned observations:



- (i) In the absence of requisite number of Non-Executive and Independent Directors, the Company has not complied with the requirement pertaining to the composition of the Board of Directors to be constituted as per the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance.

We further report that:


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 the decisions made in the Board/Committee meeting(s) were carried out with unanimous consent of all the Directors/Members present during the meeting and dissent, if any, have been duly recorded in the Minutes as the case may be.

We 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
Firm Regn. No. S2002DE058200
Company Secretaries



CS D.P. Gupta

M N FCS 2411

C P No. 1509

ICSI UDIN No. F002411C000583464

ICSI PR No. – 1194/2021

Date: 6th July 2021

Place: New Delhi

Note: This report is to be read with our letter of even date which is annexed as **Annexure-A** and forms an integral part of the Report.

Annexure – A

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE (QUALIFIED)

To,

The Members

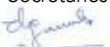
SJVN Limited

CIN:L40101HP1988GOI008409

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit. My observations regarding the secretarial audit of the subject company have been captured in the report.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, were followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of the laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For SGS ASSOCIATES
Firm Regn. No. S2002DE058200
Company Secretaries



CS D.P. Gupta

M N FCS 2411

C P No. 1509

ICSI UDIN No. F002411C000583464

ICSI PR No. – 1194/2021

Date: 6th July 2021

Place: New Delhi



REPLY BY THE MANAGEMENT TO OBSERVATIONS OF SECRETARIAL AUDITOR

Sr. No.	Observation of Secretarial Auditor	Management Reply
1	In the absence of requisite number of Non- Executive and independent Directors, the Company has not complied with the requirements pertaining to the composition of the Board of Directors to be constituted as per the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance.	SJVN is a Central Public Sector Undertaking (CPSU) and as per 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 Government of India i.e. Ministry of Power.

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso there to -

1. Details of material contracts of arrangements or transactions at arm's length basis: There was no material contract or arrangement or transaction at arm's length basis during the period under review
 - a. Name(s) of the related party and nature of relationship - NA
 - b. Nature of contracts/arrangements/transactions - NA
 - c. Duration of the contracts/arrangements/transactions - NA
 - d. Salient terms of the contracts or arrangements or transactions including the value, if any - NA
 - e. Date (s) of approval by the Board, if any - NA
 - f. Amount paid as advances, if any - NA

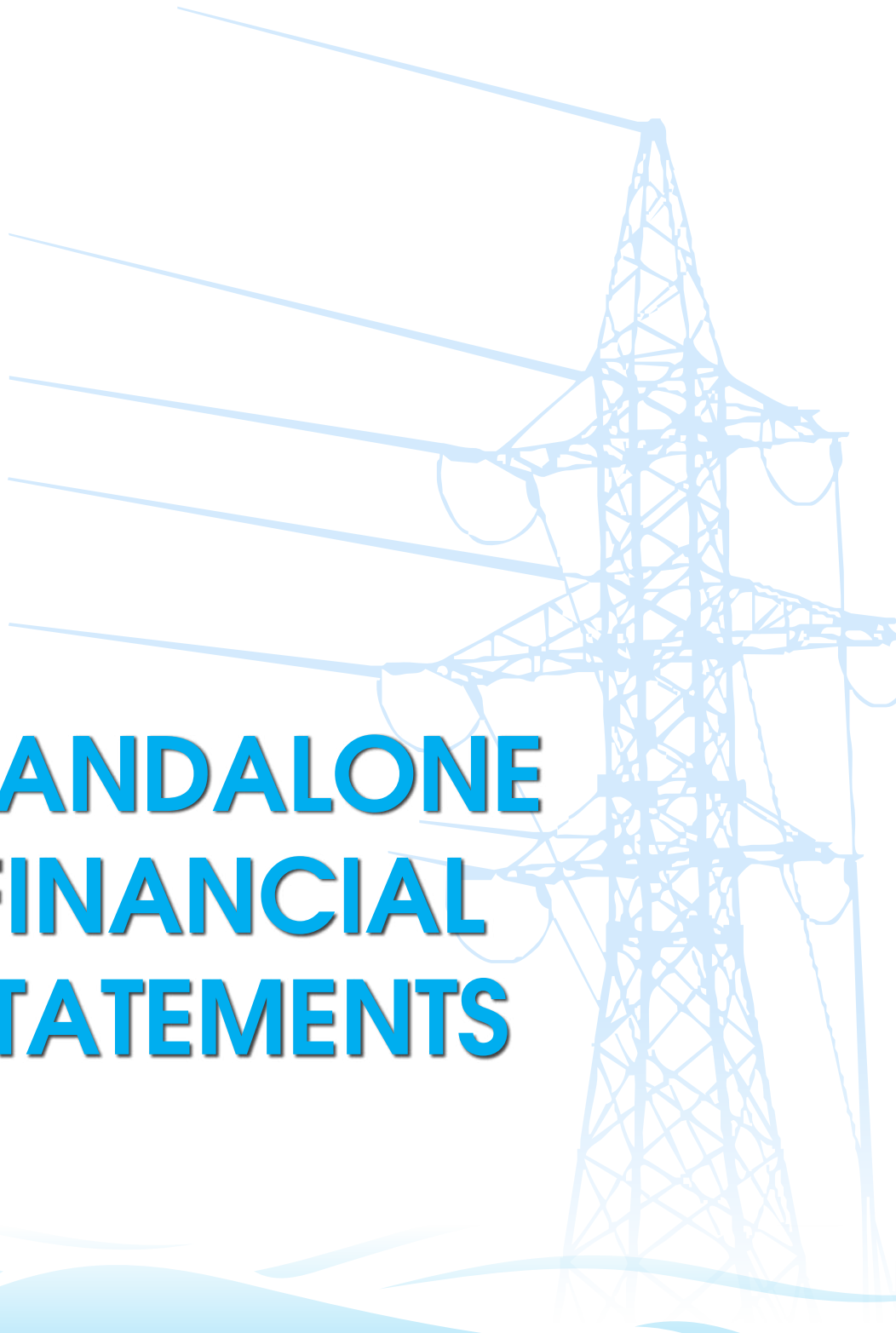
For and on behalf of the Board of Directors



(Nand Lal Sharma)
Chairman & Managing Director

Place: Shimla
Date: 14th August 2021





STANDALONE FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To The Members of SJVN LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **SJVN LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2021, and its profit/loss (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the standalone financial statements:

- a) Note No. 2.31 and 2.53 (V) to the standalone financial statements in respect of billing and accounting of sales on the basis of provisionally approved tariff.
- b) Note No. 2.63 to the standalone financial statements which describes the assessment of the impact of Covid-19 pandemic by the management on the business and its associated financial risks.
- c) Note No. 2.57 to the standalone financial statements regarding certain balances which are subject to reconciliation/ confirmation and consequential adjustments.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
1	Contingent Liabilities and Provisions There are a number of litigations pending before various forums	We have obtained an understanding of the Company's internal instructions and procedures in respect of estimation and disclosure

	<p>against the Company and the management's judgement is required for estimating the amount to be disclosed as contingent liability and for creating the adequate amount of provision, wherever required.</p> <p>We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgment in interpreting the cases and it may be subject to management bias.</p> <p>(Refer Note No. 2.50 to the Standalone Financial Statements, read with the Accounting Policy No. 1.17)</p>	<p>of contingent liabilities and adopted the following audit procedures:</p> <ul style="list-style-type: none"> - understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases; - discussed with the management any material developments and latest status of legal matters; - examined management's judgements and assessments whether provisions are required; - considered the management assessments of those matters that are not disclosed as the probability of material outflow is considered to be remote; - reviewed the adequacy and completeness of disclosures; <p>Based on the above procedures performed, the estimation and disclosures of contingent liabilities and creation of provisions are considered to be adequate and reasonable.</p>
2	<p>Property, Plant & Equipment</p> <p>There are areas where management judgement impacts the carrying value of property plant and equipment and their respective depreciation rates. These include the decision to capitalise or expense costs; the annual asset life review; the timeliness of the capitalisation of assets and the use of management assumptions and estimates for the determination or the measurement and recognition criteria for assets retired from active use. Due to the materiality in the context of the balance sheet of the Company and the level of judgement and estimates required, we consider this to be as area of significance.</p> <p>(Refer Note No. 2.1 to the Standalone Financial Statements, read with the Significant Accounting Policy No. 1.3)</p>	<p>We assessed the controls in place over the fixed asset cycle, evaluated the appropriateness of capitalisation process Performed tests of details on costs capitalised, the timeliness and accuracy of the capitalisation of the assets and the de-recognition criteria for assets retired from active use.</p> <p>In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of asset lives applied in the calculation of depreciation; the useful lives of assets prescribed in schedule II of the Companies Act, 2013 and the useful lives of certain assets as per the technical assessment of the management.</p> <p>We have observed that the management has regularly reviewed the aforesaid judgements and there are no material deficiencies in measurement and recognition of property, plant and equipment.</p>
3	<p>Capital work-in-progress (CWIP)</p> <p>The company is involved in various capital works like construction of new power projects, installation of new plant and machinery, civil works etc. These projects/works take</p>	<p>We performed an understanding and evaluation of the system of internal control over the capital work-in-progress, with reference to identification and testing of key controls.</p> <p>We assessed the progress of the project and the intention and ability</p>



<p>a substantial period of time to get ready for intended use and due to their materiality in the context of the balance sheet of the Company, this is considered to be an area which had the significant effect on the overall audit strategy and allocation of resources in planning and completing our audit.</p> <p>(Refer Note No. 2.2 to the Standalone Financial Statements, read with the Significant Accounting Policy No. 1.4)</p>	<p>of the management to carry forward and bring the asset to its state of intended use.</p> <p>We assessed the timeliness and accuracy of capitalisation of assets when it is ready for the intended use.</p>
<p>4 Deferred Tax Assets relating to MAT credit entitlement:</p> <p>The company has recognised deferred tax asset relating to MAT credit entitlement during the year. Utilization of MAT credit will result in lower outflow of Income Tax in future years. The recoverability of this deferred tax asset relating to MAT credit entitlement is dependent upon the generation of sufficient future taxable profits to utilise such entitlement within the stipulated period prescribed under the Income Tax Act, 1961.</p> <p>We identified this as a key audit matter due to use of management estimate in forecasting future taxable profits for recognition of MAT credit entitlement considering the recoverability of such tax credits within allowed time frame as per provisions of the Income Tax Act 1961 (refer note 2.42).</p>	<p>We have obtained an information/reasons for recognition of deferred tax asset relating to MAT credit entitlement. We have reviewed the estimate of the management regarding future taxable profits and reasonableness of the consideration/assumptions used for the same.</p> <p>Based on the above procedure performed, the recognition and measurement of Deferred tax asset relating to MAT credit entitlement are considered adequate and reasonable.</p>

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexures, Management Discussion and Analysis, Business Responsibility Report, Report on Corporate Governance, Shareholders Information and other information in Annual Report thereon but does not include the standalone financial statements and our auditor's report.

The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Standalone Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

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

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are

required to report that fact. We have nothing to report in this regard.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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.

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

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the



reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" 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 B" 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 purposes of our audit.

- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with the relevant rules issued there under.
- e) In view of the exemptions given vide Notification No. G.S.R. 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 164 (2) of the Companies Act, 2013 regarding disqualification of directors, are not applicable to the company.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to the separate Report in "Annexure C".
- g) As per Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company.
- h) 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 standalone financial statements. Refer Note No. 2.50 to the standalone financial statements;
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts which were required to be transferred to Investor Education and Protection Fund by the Company.

For A P R A & Associates LLP
 Chartered Accountants
 FRN - 011078N / N500064



(CA. Deepak Kataria)

Partner

M. No. 504395

UDIN- 21504395AAAADM5715

Date: 26th June 2021

Place: Gurugram



“ANNEXURE- A” TO THE AUDITOR’S REPORT

(Referred to in Paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of **SJVN LIMITED** for the year ended 31st March, 2021)

- i. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) As per information and explanation provided to us on the basis of our examination of the records of the company, physical verification of fixed assets is carried out once in a year which in our opinion is reasonable having regard to the size of the company and nature of its business.
- (c) According to the information and explanations given to us, the title deeds of all the immovable properties are held in the name of the company except the following:

Description of Asset	No. of Cases	Area in Acres	Gross block as on 31.03.2021 (Rs. Lakh)	Net block as on 31.03.2021 (Rs. Lakh)	Remarks (If Any)
Building	1	-	15	2	Title deed is yet to be executed.

- ii. As per information and explanation provided to us on the basis of our examination of the records of the company, the physical verification of inventory is carried out once in a year. The discrepancies noticed on physical verification of inventory have been properly dealt with in the books of account.
- 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. Accordingly, the provisions of clause 3 (iii) (a), (b) and (c) of the order are not applicable
- iv. In our opinion and according to the information and explanations given to us, the company has complied with provisions of section 185 and 186 of the Companies Act, 2013, with respect to the loans, investments, guarantees and securities.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from public in terms of section 73 to 76 or any other provisions of the Companies Act, 2013 and rules made there under.
- vi. The company has made and maintained cost accounts and records as specified by the Central Government under section 148 (1) of the Companies Act 2013. However, we have not made a detailed examination of these accounts and records with a view to determine whether they are accurate and complete.
- vii. (a) According to the information and explanations and records of the company, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Income tax, GST, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues with the appropriate authorities. There are no outstanding statutory dues for a period of more than six months from the date they became payable as on 31st March, 2021. 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, there are no dues of income tax, GST, custom duty, excise duty, value added tax, cess and other material statutory dues that have not been deposited on account of any dispute.
- viii. Based upon the audit procedure performed and information and

- explanation given to us by the management, the company has not defaulted in repayment of loans and borrowing to any financial institution, banks, government or dues to debenture holders.
- ix. In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In view of the exemptions given vide in terms of Notification No. G.S.R. 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 197 read with schedule V to the Companies Act, 2013 regarding managerial remuneration, are not applicable to the company.
- xii. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with the related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the Note No. 2.47 to the standalone financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the company has not made any preferential allotment or private placements of shares or fully or partly convertible debentures during the year.
- xv. In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transaction with Directors or persons connected with him.
- xvi. According to the information and explanations given to us, the company is not required to be registered under schedule 45-1A of the Reserve Bank of India Act 1934.

For A P R A & Associates LLP
Chartered Accountants
FRN - 011078N / N500064



(CA. Deepak Kataria)

Date: 26th June 2021
Place: Gurugram/Shimla

Partner
M. No. 504395
UDIN- 21504395AAAADM5715



COMPLIANCE CERTIFICATE

We have conducted the audit of annual accounts of "SJVN LIMITED" for the year ended 31st March, 2021 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 A P R A & Associates LLP

Chartered Accountants

FRN - 011078N / N500064



(CA. Deepak Kataria)

Partner

M. No. 504395

UDIN-21504395AAAADM5715

Place: Gurugram/Shimla

Date: 26th June 2021

"ANNEXURE-B" TO THE AUDITOR'S REPORT

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of SJVN LIMITED for the year ended 31st March, 2021)

Sr. No.	Directions	Actions Taken	Impact on Financial Statements
1	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated	According to the information and explanations given to us and based on our audit, the Company has a system in place to process all the accounting transactions through IT system and for this purpose SAP-ERP has been implemented by the Company. Period end Financial Statements are compiled offline based on balances and transactions generated from such SAP-ERP system. We have neither been informed nor we have come across during the course of our audit any accounting transactions which have been processed outside the IT system having impact on the integrity of the accounts.	NIL
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated.	According to information and explanations given to us and based on our audit, there is no case of restructuring of an existing loan or cases of waiver/write off of debts / loans / interest etc. made by lender to the Company.	NIL
3	Whether funds received/ receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	According to information and explanations given to us and based on our audit, the Company has not received any funds from Central/ State agencies for specific schemes.	NIL



“ANNEXURE- C” TO THE AUDITOR'S REPORT

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

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 (“the Act”) for the year ended 31st March, 2021.

Opinion

We have audited the internal financial controls over financial reporting of SJVN LIMITED (“the Company”) as at March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the Company has in all material respect, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company Considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. However, there are following issues in Internal Financial Control:

- (i) *During the year, an amount of Rs 2,23,58,744 /- has been charged to contractor of Sadla Wind Power Project for compensation on account of performance deficiency without GST. In our opinion GST is applicable in this transaction.*
- (ii) *It has been 2 years of implementation of SAP in SJVN. But, still there are few areas where calculations are carried out manually (just like calculation of PRP, accounting for Rebate, LPS etc. We believe this should be rooted through SAP in order to increase reliability on the same.*
- (iii) *Presently the Investment in TDRs/FDRs by Organization is done based on email/fax received from various FI/Banks. To inculcate the accountability in system, good number of organizations has moved from Manual to E-Bidding, Reverse Bidding process, which not only fetch better rate of interest but also brings transparency in system.*

Management's Responsibility for Internal Financial Controls

The Board of Directors of the company is responsible for establishing and maintaining internal financial controls based on the Internal Control over financial reporting criteria established by the Company considering the essential components of Internal control stated in the Guidance Note on Audit of the Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we Comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about

the adequacy of the Internal financial controls system over financial reporting and their operating effectiveness, our audit of internal financial controls over financial reporting included obtaining and understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and disposition of the assets of the company;(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For A P R A & Associates LLP
Chartered Accountants
FRN - 011078N / N500064



(CA. Deepak Kataria)
Partner

M. No. 504395

UDIN- 21504395AAAADM5715

Place: Gurugram/Shimla
Date: 26th June 2021



MANAGEMENT'S REPLY ON STATUTORY AUDITORS' OBSERVATIONS ON INTERNAL FINANCIAL CONTROL-ANNEXURE-C TO THE AUDITORS' REPORTS.

Auditors' Observations	Management's Reply
(i) During the year, an amount of Rs. 2,23,58,744/- has been charged to contractor of Sadla Wind Power Project for compensation on account of performance deficiency without GST. In our opinion GST is applicable in this transaction.	Amount charged from the contractor was on account of compensation of performance deficiency in the generation of power. Since this income is in the nature of revenue from power, GST is not applicable. GST Consultant also opined that GST is not applicable in this case.
(ii) It has been 2 years of implementation of SAP in SJVN. But, still there are few areas. Where calculations are carried out manually (just like calculation of PRP, accounting of Rebate, LPS etc.). We believe this should be rooted through SAP in order to increase reliability on the same.	The process for calculation of PRP, Rebate and LPS through SAP is in progress and will be implemented during the current financial year.
(iii) Presently the Investment in TDRs/FDRs by Organization is done based on email/fax received from various FI/Banks. To inculcate the accountability in system, good number of organizations has moved from Manual to E-Bidding, Reverse Bidding process, which not only fetch better rate of interest but also brings transparency in system.	E-bidding process for investment in TDRs/FDRs has already been implemented during the current financial year after security audit. However the rate of interest received after implementation of E-bidding process are same.



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 2021

The preparation of financial statements of SJVN Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under sections 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 26 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of SJVN Limited for the year ended 31 March 2021 under section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting record.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

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



(D.K. Sekar)
Director General of Audit (Energy),
Delhi

Place: New Delhi
Dated :13.08.2021



BALANCE SHEET AS AT MARCH 31, 2021


(₹ Lakh)

	Note No.	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
ASSETS				
Non - current assets				
Property, plant and equipment	2.1	747088	756938	768300
Capital work-in-progress	2.2	120189	91301	74854
Intangible Assets	2.3	2758	138	175
Intangible assets under development	2.4	489	3187	1692
Financial Assets				
Investments	2.5	346214	197299	78144
Loans	2.6	8191	6783	4632
Others	2.7	45527	5000	-
Deferred tax assets (net)	2.8	62272	78463	67411
Other non-current assets	2.9	24926	20692	25184
Total non- current assets		1357654	1159801	1020392
Current assets				
Inventories	2.10	5615	4949	4490
Financial assets				
Trade receivables	2.11	52296	74544	27680
Cash and cash equivalents	2.12	4060	24823	3501
Bank balance other than cash and cash equivalents	2.13	90199	196339	287107
Loans	2.14	2087	1779	1583
Others	2.15	73466	49716	137337
Other current assets	2.16	14810	12385	12546
Total current assets		242533	364535	474244
Regulatory deferral account debit balance		86170	53287	33993
TOTAL ASSETS	2.17	1686357	1577623	1528629
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	2.18	392980	392980	392980
Other Equity	2.19	883204	810451	767462
Total Equity		1276184	1203431	1160442
Liabilities				
Non- current liabilities				
Financial liabilities				
Borrowings	2.20	185568	197219	194046
Lease liabilities	2.21	917	1257	-
Others	2.22	1	1	12
Provisions	2.23	9658	8549	6986
Other non- current liabilities	2.24	75199	78464	81727
Total non-current liabilities		271343	285490	282771
Current liabilities				
Financial liabilities				
Borrowings	2.25	5218	-	-
Lease liabilities	2.26	880	964	-
Trade payables				
Total outstanding dues of micro and small enterprises	2.27	642	686	579
Total outstanding dues of creditors other than micro and small enterprises	2.27	3591	2541	1861
Others	2.28	70996	58512	59462
Other current liabilities	2.29	7753	4638	3877
Provisions	2.30	49750	21361	19637
Total current liabilities		138830	88702	85416
TOTAL EQUITY AND LIABILITIES		1686357	1577623	1528629

Note: The figures as at 31st March 2020 and 1st April 2019 as given above are restated (Note No. 2.41) The accompanying notes from 2.1 to 2.64 form an integral part of the financial statements.

For and on behalf of the Board of Directors



(Soumendra Das)
Company Secretary
FCS-4833


(Akhileshwar Singh)
Director(Finance) cum CFO
DIN:08627576


(Nand Lal Sharma)
Chairman & Managing Director
DIN:03495554

This is the Balance Sheet referred to in our report of even date

For A P R A & Associates LLP
Chartered Accountants
FRN-011078N/N500064


(Deepak Kataria)
Partner
M.No. 504395
UDIN-21504395AAAADM5715
Place: Shimla / New Delhi
Date : June 26, 2021



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(₹ Lakh)

	Note No.	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Income			
Revenue from Operations	2.31	249083	270761
Other Income	2.32	72224	38763
Total Income		321307	309524
Expenses			
Employee Benefits Expense	2.33	32055	30768
Finance Costs	2.34	(285)	26807
Depreciation and Amortization Expense	2.35	39327	38409
Other Expenses	2.36	36882	36289
Total Expenses		107979	132273
Profit/ (Loss) before exceptional items and tax		213328	177251
Exceptional Items	2.37	29344	609
Profit before net movement in regulatory deferral account balance and tax		183984	176642
Net movement in regulatory deferral account balance	2.38	32883	19294
Profit Before Tax		216867	195936
Tax Expenses:			
- Current Tax		37372	34053
- Adjustments relating to earlier years		-	17192
- Deferred Tax	2.8	16191	(11052)
Profit (Loss) for the period		163304	155743
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
- Remeasurement of the net defined benefit liability/asset		(255)	(2183)
- Income tax on above item		89	763
Total		(166)	(1420)
Total Comprehensive Income for the period		163138	154323
Earnings Per Equity Share (excluding net movement in regulatory deferral account balance)			
Basic and Diluted (₹)		3.46	3.56
Earnings Per Equity Share (including net movement in regulatory deferral account balance)			
Basic and Diluted (₹)		4.16	3.96
Weighted average equity shares used in computing earnings per equity share		3929795175	3929795175

Note: The figures for the year ended 31st march 2020 as given above are restated (Note no. 2.41)
The accompanying notes from 2.1 to 2.64 form an integral part of the financial statements.

For and on behalf of the Board of Directors



(Soumendra Das)
Company Secretary
FCS-4833


(Akhileshwar Singh)
Director(Finance) cum CFO
DIN:08627576


(Nand Lal Sharma)
Chairman & Managing Director
DIN:03495554

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

For A P R A & Associates LLP
Chartered Accountants
FRN-011078N/N500064


(Deepak Kataria)
Partner
M.No. 504395
UDIN-21504395AAAADM5715

Place: Shimla / New Delhi
Date : June 26, 2021



STATEMENT OF CASH FLOWS

For the Year Ended March 31, 2021

(₹ Lakh)

		For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Cash flow from operating activities			
Profit before tax		216867	195936
Adjustment for:			
Depreciation and amortization	39327		38409
Interest on term deposits	(11348)		(20485)
Dividend from Subsidiary / Associate / Joint Venture	(265)		-
Finance cost	(285)		26807
Loss on disposal/ write off of fixed assets	2257		569
Profit on sale of fixed assets	(1)		(97)
		29685	45203
Adjustment for assets and liabilities			
Inventories	(666)		(459)
Trade receivable and unbilled revenue	11696		1262
Loans, other financial assets and other assets	(21178)		28641
Trade payable	1006		787
Other financial liabilities and other liabilities	(3252)		(7924)
Regulatory deferral account debit balance	(32883)		(19294)
Provisions	29425		2085
		(15852)	5098
Cash generated from operating activities		230700	246237
Income tax paid		(29668)	(46363)
Net cash generated by operating activities		201032	199874
Cash flow from investing activities:			
Net expenditure on Property, Plant & Equipment and CWIP including advances for capital works	(55487)		(39262)
Term deposits with bank (having maturity more than three months)	102320		90768
Interest on term deposits	15691		28514
Dividend from Subsidiary / Associate / Joint Venture	265		126
Investment in subsidiaries and joint ventures	(148740)		(119155)
Share application money to subsidiaries	(36650)		(5000)
Investment in other companies	(175)		-
Net cash used in investing activities		(122776)	(44009)
Cash flow from financing activities:			
Repayment of borrowings	(23874)		(21864)
Proceed from borrowings	18301		10599
Payment of lease liabilities	(424)		(1416)
Interest and finance charges	(7871)		(10679)
Dividend Paid	(90369)		(92200)
Tax on Dividend	-		(18983)
Cash used in financing activities		(104237)	(134543)
Net increase in cash and cash equivalents		(25981)	21322
Cash & cash equivalents at the beginning of the year (refer note 1 and 2 below)		24823	3501
Cash & cash equivalents at the end of the year (refer note 1 and 2 below)		(1158)	24823
Restricted cash balance			
Earmarked Balance (Unpaid Dividend)		282	266
Margin Money for BG/ Letter of Credit and Pledged deposits		4896	4813
Total		5178	5079

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

1. Cash and Cash equivalents consist of cheques/drafts in hand, Bank Balances including Short Term Deposits having original maturity upto three months and bank overdraft.

2. Reconciliation of Cash and Cash Equivalents:

(₹ Lakh)

	As at March 31, 2021	As at March 31, 2020
Cash and Cash equivalents as per note 2.12	4060	24823
Bank overdraft as per note 2.25	(5218)	-
Cash & Cash Equivalents as per statement of cash flows	(1158)	24823



3. Net Debt Reconciliation

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Cash & Cash Equivalents	(1158)	24823
Borrowings including current maturities and accrued interest	(210622)	(223024)
Net Debt	(211780)	(198201)

(₹ Lakh)

Particulars	Cash & Cash Equivalents	Non Current Borrowings	Total
Net Debt as at April 1, 2020	24823	(223024)	(198201)
Cash Flows	(25981)	5573	(20408)
Foreign Exchange adjustments	-	5539	5539
Interest Expenses	-	(2774)	(2774)
Interest Paid	-	4064	4064
Net Debt as at March 31, 2021	(1158)	(210622)	(211780)

For and on behalf of the Board of Directors


(Soumendhra Das)
Company Secretary
FCS-4833


(Akhileshwar Singh)
Director(Finance) cum CFO
DIN:08627576


(Nand Lal Sharma)
Chairman & Managing Director
DIN:03495554

This is the Statement of Cash Flows referred to in our report of even date

For A P R A & Associates LLP
Chartered Accountants
FRN-011078N/N500064



(Deepak Kataria)
Partner
M.No. 504395
UDIN:21504395AAAADM5715

Place: Shimla/New Delhi
Date : June 26, 2021



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

A. Equity Share Capital

For the Year Ended March 31, 2021

(₹ Lakh)

Particulars	Amount (₹ Lakh)
Opening Balance as at April 1, 2020	392980
Equity Shares issued during the year	-
Equity Shares bought back during the year	-
Closing Balance as at March 31, 2021	392980

(₹ Lakh)

Particulars	Amount (₹ Lakh)
Opening Balance as at April 1, 2019	392980
Equity Shares issued during the year	-
Equity Shares bought back during the year	-
Closing Balance as at March 31, 2020	392980

B. Other Equity

For the Year Ended March 31, 2021

(₹ Lakh)

Particulars	Reserves and Surplus			Total Other Equity
	Capital Redemption Reserve	Securities Premium	Retained Earnings	
Opening Balance as at April 1, 2020	20683	-	789768	810451
Profit for the Period			163304	163304
Other Comprehensive Income			(166)	(166)
Total Comprehensive Income			163138	163138
Dividends				
Final Dividend Paid for 2019-20			(19649)	(19649)
Interim Dividend Paid for 2020-21			(70736)	(70736)
Dividend Tax				
On Final Dividend 2019-20			-	-
On Interim Dividend 2020-21			-	-
Closing Balance as at March 31, 2021	20683	-	862521	883204

For the Year Ended March 31, 2020

(₹ Lakh)

Particulars	Reserves and Surplus			Total Other Equity
	Capital Redemption Reserve	Securities Premium	Retained Earnings	
Opening Balance as at April 1, 2019	20683	-	746780	767463
Profit for the Period			155743	155743
Other Comprehensive Income			(1420)	(1420)
Total Comprehensive Income			154323	154323
Dividends				
Final Dividend Paid for 2018-19			(25544)	(25544)
Interim Dividend Paid for 2019-20			(66807)	(66807)
Dividend Tax				
On Final Dividend 2018-19			(5251)	(5251)
On Interim Dividend 2019-20			(13732)	(13732)
Closing Balance as at March 31, 2020	20683	-	789768	810452

For and on behalf of the Board of Directors



 (Soumendra Das)
 Company Secretary
 FCS-4833


 (Akhileshwar Singh)
 Director(Finance) cum CFO
 DIN:08627576


 (Nand Lal Sharma)
 Chairman & Managing Director
 DIN:03495554

This is the Statement of Changes in Equity referred to in our report of even date

For A P R A & Associates LLP
 Chartered Accountants
 FRN-011078N/N500064


 (Deepak Kataria)
 Partner
 M.No. 504395
 UDIN-21504395AAAADM5715

Place: Shimla / New Delhi
 Date : June 26, 2021



I. Company Information and Significant Accounting Policies

A. Reporting Entity

SJVN Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: L40101HP1988GOI008409). The shares of the Company are listed and traded on the National Stock Exchange of India Limited (NSE) and BSE Limited in India. The address of the company's registered office is Shakti Sadan, Shanan, Shimla-171006 (H.P.). Electricity generation is the principal business activity of the company. The company is also engaged in the business of providing consultancy.

B. Significant Accounting Policies

1.1 Basis of Preparation:

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

These financial statements were authorized for issue by the Board of Directors on June 26, 2021.

Use of estimates and management judgments:

The preparation of the financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of Assets, Liabilities, Income, Expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgements are based on previous experience and other factor considered reasonable and prudent in the circumstances. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that may have the most significant effect on the amount recognized in the financial statements are as under:

a) Useful life of Property, Plant & Equipment and intangible assets:

The estimated useful life of property, plant & equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flow from the asset. Useful life of the asset used for generation of electricity is determined by the Central Electricity Regulatory Commission (CERC) tariff regulations as mentioned in Part-B of schedule-II of the Companies act 2013 except for computer & peripherals and mobile phones which are as per management assessment.

b) Recoverable amount of property, plant and equipment and intangible assets:

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

c) Post-employment benefits plan:

Employee benefits obligations are measured on the basis of

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

d) Revenue:

The company recognizes revenue from sale of power based on tariff approved by the CERC. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC tariff regulations.

e) Regulatory deferral account balances:

Recognition of regulatory deferral account balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

f) Investment in Subsidiaries and Joint Ventures:

Investment has been carried at cost and as per assessment by the Company, there is no indication of impairment on such investments. Any changes in assumption may have a material impact on the measurement of the recoverable amount.

g) Provisions and contingencies:

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has been made on the basis of best judgment by management regarding probable outflow of economic resources. Such estimation can change on occurrence of unforeseeable developments.

1.2 Basis of Measurement:

These financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- financial assets and liabilities except certain Investments and borrowings carried at amortised cost,
- assets held for sale – measured at fair value less cost of disposal,
- defined benefit plans – plan assets measured at fair value,
- Right of Use Assets – measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value. However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

These financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentation currency and all amounts are rounded to the nearest lakh, except as stated otherwise.

1.3 Property, plant and equipment (PPE)

- a) The Company has opted to utilize the option under Ind AS 101 which permits to continue to use the Indian GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of property, plant and equipment according to the Indian GAAP as at April 1, 2015 i.e. Company's date of transition to Ind AS, were maintained in transition to Ind AS.



- b) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- c) PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost wherever required. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. 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.
- d) After initial recognition, Property, Plant & Equipment is carried at cost less accumulated depreciation / amortisation and accumulated impairment losses, if any.
- e) Deposits, Payments/ liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
- f) Asset created on land not belonging to the company where the company is having control over the use and access of such asset are included under Property, Plant and Equipment.
- g) Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised when no future economic benefits are expected from its use or upon disposal. The costs of the day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred. Other spares are treated as "stores & spares" forming part of the inventory and expensed when used/ consumed.
- h) Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the company and the cost of the item can be measured reliably.
- i) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life of the power station resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset.
- j) Property, plant and equipment is derecognized when no future economic benefits are expected from its use or upon its disposal. Gains and losses on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

1.4 Capital Work-in-progress

- a) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work-in-progress (CWIP). Such cost comprises of purchase price of asset including other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.
- b) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, depreciation on assets used in construction of projects, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Expenditure Attributable to Construction (EAC)" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects. Net pre-commissioning income/ expenditure is adjusted directly in the cost of related assets.
- c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential for construction of the project is carried under "Capital Work-in-progress" and subsequently allocated on systematic basis

over major immovable assets, other than land and infrastructure facilities on commissioning of projects. Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

- d) Expenditure on Survey and Investigation of the Project 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.
- e) 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.
- f) Claims for price variation/ exchange rate variation in case of contracts are accounted for on acceptance.

1.5 Investment Property

- a) Land or a building or part of building or both held by company to earn rentals or for capital appreciation or both is classified as Investment property other than for:
 - i. Use in the production or supply of goods or services or for administrative purpose; or
 - ii. Sale in the ordinary course of business.
- b) Investment property is recognised as an asset when, and only when:
 - i. It is probable that the future economic benefits that are associated with the investment property will flow to the entity; and
 - ii. The cost of the investment property can be measured reliably.
- c) Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.
- d) Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.
- e) Transfers to or from investment property is made when and only when there is a change in use.

1.6 Intangible Assets and intangible assets under development

- a) Intangible assets are identifiable non-monetary asset without physical substance. Intangible assets are recognised if:
 - i. It is probable that the expected future economic benefit that are attributable to the asset will flow to the entity; and
 - ii. the cost of the asset can be measured reliably
- b) Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- c) Subsequent expenditure on already capitalized Intangible assets is capitalised when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.
- d) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any.
- e) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an



intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

- f) Expenditure on development activities is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to & has sufficient resources to complete development and to use or sell the asset.
- g) Expenditure incurred which are eligible for capitalisation under intangible assets are carried as intangible assets under development till they are ready for their intended use.

1.7 Regulatory deferral accounts

- a) Expenses/ income recognized in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized as 'Regulatory deferral account balances' as per Ind AS-114.
- b) Regulatory deferral account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.
- c) Regulatory deferral account balances are evaluated at each balance sheet date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If these criteria are not met, the regulatory deferral account balances are derecognised.

1.8 Impairment of non-financial assets

- a) The carrying amounts of the Company's non-financial assets primarily include property, plant and equipment, which are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.
- b) In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.
- c) Impairment losses recognized in earlier period are assessed at each reporting date for any indication that loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

1.9 Inventories

- a) Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipment.
- b) Inventories and Certified Emission Reduction (CERs-Carbon Credit) are valued at the lower of cost and net realizable value.
- c) Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

- d) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
- e) Net realizable value of obsolete, unserviceable and surplus stores & spares is ascertained at the end of financial year and provided for, wherever required. Scrap is accounted for as and when sold.

1.10 Foreign Currency Transactions:

a) Functional and presentation currency:

These financial statements have been presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

b) Transactions and balances

- i. Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date. Non-monetary items denominated in foreign currency are reported at the exchange rate prevailing at the date of transaction.
- ii. Exchange differences arising on translation or settlement of monetary items are recognised in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of fixed assets entered up to March 31, 2016 are adjusted to carrying cost of fixed assets.
- iii. In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Company initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The Company has elected to avail the exemption available under IND AS 101, with regard to continuation of policy for accounting of exchange differences arising from translation of long term foreign currency monetary liabilities.

1.11 Financial instruments—initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial Assets

A financial asset includes inter-alia any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial assets or to exchange financial asset or financial liability under condition that are potentially favourable to the Company. A financial asset is recognized when and only when the Company becomes party to the contractual provisions of the instrument. Financial assets of the Company comprise cash and cash equivalents, Bank Balances, Advances to employees/contractors, security deposit, claims recoverable etc.

Initial recognition and measurement:

- i. All financial assets except trade receivables are recognised initially at fair value plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.
- ii. The company measures the trade receivables at their transaction price if the trade receivables do not contain a significant financing component. A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

Subsequent measurement:

- i. Financial Assets are measured at amortized cost or fair value



through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

- ii. After initial measurement, financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss.
- iii. Financial assets at fair value through other comprehensive income are measured at each reporting date at fair value. Fair value changes are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss.
- iv. Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit and Loss.

Impairment of financial assets:

- i. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.
- ii. In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss and follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract assets resulting from transactions within the scope of Ind-AS 115.
- iii. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
- iv. For recognition of impairment loss on other financial assets, the company assesses whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, ECL is provided. For assessing increase in credit risk and impairment loss, the company assesses the credit risk characteristics on instrument-by-instrument basis.
- v. Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the statement of profit and loss.

Derecognition:

A financial asset is derecognised when all the cash flows associated with the financial asset has been realised or such rights have expired.

b) Financial liabilities

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company. The Company's financial liabilities include loans & borrowings, trade and other payables etc.

Classification, initial recognition and measurement:

- a) Financial liabilities are recognised initially at fair value minus

transaction costs that are directly attributable to the issue of financial liabilities. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the effective rate of interest.

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

Subsequent measurement:

- a) After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset, when the liabilities are derecognised as well as through the EIR amortisation process.
- b) Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

c) Offsetting of financial instruments

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

1.12 Investment in Subsidiaries

- a) A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.
- b) Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost. On transition to IND AS, the Company has adopted optional exemption under IND AS 101 to value investments in subsidiaries at cost less impairment, if any.

1.13 Investment in joint ventures and associates:

- a) A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.
- b) An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies.
- c) The investment in joint ventures and associates are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost less impairment, if any.

1.14 Leases

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company



has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019).

Lease is a contract that conveys the right to control the use of identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (i) the contract involves use of an identified assets, (ii) the customer has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the customer has the right to direct the use of the asset.

i) As a lessee

At the date of commencement of lease, the company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and leases for which the underlying asset is of low value. For these short-term and leases for which underlying asset is of low value, the company recognizes the lease payments on the straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liability includes these options when it is reasonably certain that they will be exercised.

The right-to-use assets are initially recognized at cost, which comprises the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of lease along with the initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-to-use assets is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of lease liability. The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in accounting policy 1.8 on "Impairment of non-financial assets".

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

The interest cost on lease liability is expensed in the Statement of Profit and Loss, unless eligible for capitalization as per accounting policy 1.16 on "Borrowing Cost".

Lease liability and ROU assets have been separately presented in the financial statements and lease payments have been classified as financing cash flows.

ii) As a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

1.15 Government Grants

- a) Government grants with a condition to purchase, construct or otherwise acquire long-term assets are initially measured based on grant receivable under the scheme. Such grants are recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset. Amount of benefits receivable in excess of grant income accrued based on usage of the assets is accounted

as Government grant received in advance. Changes in estimates are recognised prospectively over the remaining life of the assets.

- b) Government revenue grants relating to costs are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate.
- c) Non-monetary government grants are recorded at a nominal amount.

1.16 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes interest expense on lease liabilities recognized in accordance with Ind AS 116- 'Leases' and exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction/erection or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. All other borrowing costs are expensed in the period in which they occur.

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

1.17 Provisions, Contingent Liabilities and Contingent Assets

a) A provision is recognised when:

- i. the Company has present legal or constructive obligation as result of past event;
- ii. it is probable that an outflow of economic benefits will be required to settle the obligation; and
- iii. a reliable estimate can be made of the amount of the obligation.
- b) If the effect of the time value of money is material, provision are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.
- c) The amount recognised as provision is the best estimate of consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.
- d) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- e) Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.
- f) Liability for claims against the Company is recognized on acceptance by the Company/ receipt of award from the Arbitrator and the balance claim, if disputed/ contested by the contractor is



shown as contingent liability. The claims prior to arbitration award stage are disclosed as contingent liability.

- g) Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgement of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

1.18 Revenue Recognition and Other Income

Company's revenues arise from sale of energy, consultancy services and other income. Other income comprises interest from banks, employees, contractors etc., dividend from investments in joint venture companies, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

- a) Revenue from operations of the company mainly consists from plants regulated under the Electricity Act, 2003. Accordingly, the Central Electricity Regulatory Commission (CERC) determines the tariff on the norms prescribed in the tariff regulations as applicable from time to time. Revenue from sale of energy is accounted for as per tariff notified by CERC. In case of power stations where the tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations. Further, recovery/refund towards foreign currency variation in respect of foreign currency loans is accounted for on year to year basis. Revenue from sale of energy is recognized once the electricity has been transmitted to customers and control over the product is transferred to the customers. As at each reporting date, revenue from operations includes an accrual for energy sales transmitted to customers but not yet billed (unbilled Revenue).
- b) Part of revenue from energy sale where CERC tariff Regulations are not applicable is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries
- c) Rebate to customers as early payment incentive is deducted from the amount of revenue from energy sales.
- d) Incentives/disincentives are accounted for based on the norms notified/approved by the Central Electricity Regulatory Commission.
- e) Recovery/ refund towards foreign currency variation in respect of foreign currency loans are recognised on year to year basis based on regulatory norms.
- f) Advance Against Depreciation (AAD) considered as deferred income in earlier years is included in sales on straight line basis over the balance useful life after 31st March of the year closing after a period of 12 years from the date of commercial operation of the Hydro Power Station, considering the total useful life of the Hydro Power Station as 40 years.
- g) Revenue from consultancy services rendered is recognised in the statement of profit and loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to actual progress/ technical assessment of work executed, in line with the terms of respective consultancy contracts. Claims for reimbursement of expenditure are recognized as other income, as per the terms of consultancy contracts.
- h) Interest/Surcharge on late payment/ overdue sundry debtors for sale of energy are recognised when no significant uncertainty as to measurability or collectability exists.
- i) Dividend income is recognized when the company's right to receive payment is established.
- j) Interest/surcharge/liquidated damages recoverable from suppliers and contractors, wherever there is uncertainty of realisation/

acceptance are accounted for on receipts/acceptance.

- k) Interest income on financial assets as subsequently measured at amortized cost is recognised on a time-proportion basis using the effective interest method. Interest income on impaired loans/ receivable is recognised using the original effective interest rate.
- l) Income arising from sale of CERs-carbon credit is recognized on transfer/ sale of carbon credits i.e. when there is certainty regarding ultimate collection.
- m) Compensation from third parties including from insurance are accounted for on certainty of realization.

1.19 Employee Benefits

Employee benefits consist of wages, salaries, benefits in kind, provident fund, pension, gratuity, post-retirement medical facilities, leave benefits and other terminal benefits etc.

a) Defined Contribution Plans

- i) A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate trust and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the periods during which services are rendered by employees.
- ii) The company also has Defined Contribution Pension Scheme for providing pension benefit. The obligation of the company is to contribute the extent of amount not exceeding 30% of basic pay and dearness allowance less employer contribution/liability towards provident fund, gratuity, post-retirement medical facility (PRMF). 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. A defined benefit plan is a post-employment plan other than a defined contribution plan.
- ii. The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. 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.
- iii. The gratuity scheme is funded by the company and is managed by a separate trust. Company's liability is determined by the qualified actuary using the projected unit credit method at the year-end and any shortfall in the fund size maintained by the trust is additionally provided for by the company.
- iv. The company has a Post Retirement Medical Facility (PRMF), under which retired employees, spouse and eligible parents of retired employee are provided medical facilities in the company hospitals/ empanelled hospitals/ other hospitals. They can also avail treatment as Out- patient subject to rules and regulations made by the Company.
- v. The company also has other benefit plans allowance on retirement/ death and memento on superannuation.
- vi. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.
- vii. Service cost & net interest on the net defined benefit liability (asset) are recognised in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard



permits such inclusion in the period in which they arise.

- viii. Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

c) Other Long-term employee benefits

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

The Company's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. Actuarial gains or losses are recognised in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.

Benefits under the Company's leave encashment, long-service award and economic rehabilitation scheme constitute other long term employee benefits.

The Company's net obligation in respect of these long-term employee benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. Any actuarial gains or losses are recognized in statement of profit and loss account in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

d) Short-term Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed in the period in which the service is provided.

e) Terminal Benefits

Expenses incurred on terminal benefits in the form of ex-gratia payments and notice pay on voluntary retirement schemes, if any, are charged to the profit and loss in the year of incurrence of such expenses.

1.20 Depreciation and amortization

- a) Depreciation on Property, Plant & Equipment of Operating Units of the Company is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology as notified by CERC for the fixation of tariff in accordance with Schedule-II of the companies act 2013 except for assets specified in policy no. 1.20(c) below.
- b) Depreciation on Property, Plant & Equipment of other than Operating Units of the Company is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in policy no. 1.20(c) below.

- c) Depreciation on the following items of Property, Plant and Equipment is charged on straight line method on estimated useful life:

- i. Computer & Peripherals depreciated fully (100%) in 3 years.
 - ii. Mobile Phones depreciated fully (100%) in 2 years.
- The useful life of these assets are reviewed at each financial year end and adjusted prospectively, wherever required.
- d) Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the month on which the asset is available for use / disposed.
 - e) Temporary erections are depreciated fully (100%) in the year of acquisition /capitalization.
 - f) Assets costing upto ₹ 5000/- are fully depreciated in the year of acquisition.
 - g) Expenditure on software recognized as 'Intangible Asset' and is amortized fully on straight line method over a period of legal right to use or three years, whichever is less. Other intangible assets with a finite useful life are amortized on a systematic basis over its useful life. The amortisation period and the amortisation method of intangible assets with a finite useful life is reviewed at each financial year end.
 - h) Right-of-use land and buildings relating to generation of electricity business governed by CERC Tariff Regulations are fully amortized over lease period or life of the related plant whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized over lease period or life of the related plant whichever is lower. Other Right of use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

- i) Tangible Assets created on leasehold land are depreciated to the extent of 90% of original cost over the balance available lease period of respective land from the date such asset is available for use or at the applicable depreciation rates & methodology notified by CERC tariff regulations for such assets, whichever is higher.
- j) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, change in duties or similar factors, the unamortized balance of such assets is depreciated prospectively over the residual life of such asset determined following the applicable accounting policies relating to depreciation/ amortization.
- k) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.
- l) Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by the CERC.
- m) 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.



1.21 Income Taxes

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

a) Current income tax

Current tax is expected tax payable on taxable profit for the year, using tax rates enacted or substantively enacted at the balance sheet date and any adjustments to tax payable in respect of previous years.

b) Deferred tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT credit is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future taxable profit will be available against which MAT credit can be utilized.

1.22 Dividend Distribution:

Final Dividends and interim dividends payable to Company's shareholders are recognized and accounted for in the period in which they are approved by the shareholders and the Board of Directors respectively.

1.23 Segment Reporting:

- Segments have been identified taking into account nature of product and differential risk and returns of the segment. These business segments are reviewed by the Management.
- Electricity generation is the principal business activity of the company. Other operations viz., Consultancy works etc. do not form a reportable segment as per the Ind AS -108 - 'Operating Segments'.
- The company is having a single geographical segment as all its Power Stations are located within the Country.

1.24 Statement of Cash Flows

- Cash and cash equivalents includes cash/Drafts/Cheques on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash

and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, bank overdrafts are shown within "Borrowings" under current liabilities.

- Statement of cash flows is prepared in accordance with the indirect method (whereby profit or loss is adjusted for effects of non-cash transactions) prescribed in Ind AS-7 "Statement of Cash Flows"

1.25 Material prior period errors

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

1.26 Earnings per share

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

1.27 Current versus non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

1.28 Miscellaneous

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).



2.1 Property, Plant & Equipment
As at March 31, 2021

Sl.No. Particulars	Gross Block			Depreciation			Net Block		
	As at April 1, 2020	Additions during the year	Deductions/ Adjustments	As at March 31, 2021	As at April 1, 2020	For the year	Deduction	As at March 31, 2021	As at March 31, 2021
1 Land	18043	8831	-	26874	-	-	-	26874	
Freehold (including development expenses) #	1701	247	-	1948	136	64	-	1748	
2 Buildings	118202	16835	135	134902	21047	4083	-	109772	
Freehold \$	18122	706	49	18779	1319	967	49	2237	
Right of use	6189	-	-	6189	1125	186	-	1311	
3 Roads and Bridges	2114	371	7	2478	511	96	3	604	
Plant and Machinery	298956	3206	3586	298576	75522	13145	1327	87340	
5 Generating Plant and Machinery *	529975	708	24	530659	146241	19100	7	165334	
6 Hydraulic Works(Dams, Tunnel, etc.)	645	47	22	670	194	49	9	234	
7 Vehicles	2407	619	606	2420	885	682	118	1449	
Owned	2305	94	-	2399	486	143	-	629	
Right of use	2877	36	-	2913	731	119	-	850	
8 Furniture, Fixture and Equipments	544	91	11	624	148	26	11	163	
Electrical Works	3752	206	81	3877	950	266	63	1153	
10 Electrical Equipments	1159	258	70	1347	758	245	70	933	
11 Office Equipments									
12 Data processing Equipments									
Total	1006991	32255	4591	1034655	250053	39171	1657	287567	747088

As at March 31, 2020

Sl.No. Particulars	Gross Block			Depreciation			Net Block		
	As at April 1, 2019	Additions during the year	Deductions/ Adjustments	As at March 31, 2020	As at April 1, 2019	For the year	Deduction	As at March 31, 2020	As at March 31, 2020
1 Land	14159	4473	589	18043	-	-	-	18043	
Freehold (including development expenses) #	1605	96	-	1701	78	58	-	136	
2 Buildings	116664	1592	54	118202	17273	3785	11	21047	
Freehold \$	14200	3922	-	18122	316	1003	-	1319	
Right of use	6112	77	-	6189	942	183	-	1125	
3 Roads and Bridges	1916	210	12	2114	333	179	1	511	
Plant and Machinery	285258	14459	761	298956	62679	12919	76	75522	
5 Generating Plant and Machinery *	529833	142	-	529975	127335	18906	-	146241	
6 Hydraulic Works(Dams, Tunnel, etc.)	643	12	10	645	144	57	7	194	
7 Vehicles	-	2407	-	2407	-	885	-	885	
Owned	1719	624	38	2305	355	143	12	486	
Right of use	2789	94	6	2877	617	116	2	731	
8 Furniture, Fixture and Equipments	449	100	5	544	98	50	-	148	
Electrical Works	3412	345	5	3752	701	254	5	950	
10 Electrical Equipments	915	256	12	1159	503	263	8	758	
11 Office Equipments									
12 Data processing Equipments									
Total	979674	28809	1492	1006991	211374	38801	122	250053	756938

Possession of freehold land measuring 0.05-22 hectare (P.Y. 0-05-22 hectare) is still to be handed over to the Company.

\$ Title deeds/ title in respect of buildings costing ₹15 lakh (P.Y. ₹15 lakh) are yet to be executed / passed in favour of the company. Expenses on stamp duty etc. shall be accounted for on registration.

\$ Includes ₹16606 lakh (P.Y. Nil) capitalised during the year on account of provision made on the basis of arbitration award.

* Generating Plant & Machinery includes assets having gross value of ₹ 80 lakh (P.Y. ₹ 80 lakh) and W.D.V of ₹ 68 lakh (P.Y. ₹ 68 lakh) being theft for which provision has been made.



2.2 Capital Work-in-progress

As at March 31, 2021

Sl. No.	Particulars	As at April 1, 2020	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2021	Capitalised during the year	As at March 31, 2021
1	Building	3329	19404	132	22601	16936	5665
2	Civil Works	14145	12684	-	26829	708	26121
3	Roads, Bridges & Culverts	762	114	-	876	-	876
4	Plant and Machinery	80	488	-	568	388	180
5	Electrical Works	44	149	-	193	33	160
6	Electro Mechanical Works	1722	6746	-	8468	5140	3328
7	Preliminary	7621	2429	-	10050	-	10050
8	Expenditure on Compensatory Afforestation/CAT Plan	17698	-	-	17698	-	17698
9	Expenditure Attributable to Construction (Note 2.2.1)	45900	10211	-	56111	-	56111
	Total	91301	52225	132	143394	23205	120189

(₹ Lakh)

As at March 31, 2020

Sl. No.	Particulars	As at April 1, 2019	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2020	Capitalised during the year	As at March 31, 2020
1	Building	2414	3572	-	5986	2657	3329
2	Civil Works	3884	10403	-	14287	142	14145
3	Roads, Bridges & Culverts	593	244	-	837	75	762
4	Plant and Machinery	-	229	(129)	358	278	80
5	Electrical Works	11	112	-	123	79	44
6	Electro Mechanical Works	2562	5746	129	8179	6457	1722
7	Preliminary	13882	1090	-	14972	7351	7621
8	Expenditure on Compensatory Afforestation/CAT Plan	14615	3083	-	17698	-	17698
9	Expenditure Attributable to Construction (Note 2.2.1)	36893	9099	-	45992	92	45900
	Total	74854	33578	-	108432	17131	91301

(₹ Lakh)



2.2.1 Expenditure Attributable to Construction

As at March 31, 2021

(₹ Lakh)

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Employee Benefit Expenses:		
Salaries,Wages, Allowances and Benefits	6496	6168
Contribution to Provident and Other Funds	627	761
Leave Salary and Pension Contribution *	12	46
Welfare Expenses	451	513
	7586	7488
Repair and Maintenance:		
Buildings	47	55
Plant & Machinery	2	2
Office Equipments & Furnitures	5	13
Vehicles	12	12
Others	110	86
	176	168
Other Expenses:		
Rent	7	5
Rates & Taxes	-	1
Insurance	2	2
Security Expenses	208	166
Electricity Charges	27	24
Travelling & Conveyance	39	103
Training and Recruitment Expenses	33	44
Less:- Cost of Application Forms Received	-	-
	33	44
Legal Expenses	46	34
Professional and Consultancy Charges	64	31
Communication Expenses	140	93
Printing & Stationery	34	16
Less: Receipts from Sale of Tenders	1	1
	33	15
Advertisement & Publicity	11	30
EDP Expenses	12	8
Hiring of Vehicles	196	19
Entertainment Expenses	18	6
Expenses on Transit Camps	60	63
Books & Periodicals	1	1
Stores Written Off	17	1
Foundation Stone Laying Ceremony Expenses	35	-
Business Promotion Expenses	4	3
Fees and subscription	14	-
Environment & Ecology Expenses	54	74
Miscellaneous Expenses	50	33
Expenditure on Catchment Area Treatment	-	16
Depreciation and Amortization Expense	446	506
Interest and Finance Charges:		
Interest on loans	1251	430
Finance charges on lease liabilities	18	34
Other finance charges	75	4
Total expenses (A)	10623	9402
Less: Recovery and Receipts:		
Interest Income:		
Banks	10	1
Employees	-	38
Contractors	379	235
Misc Income	23	29
Total (B)	412	303
Net expenditure attributable to construction Projects (A-B)	10211	9099

* Leave Salary and Pension Contribution is on account of retirement benefits of deputationists working in the company payable to their parent organisations.



2.3 Intangible Assets

As at March 31, 2021

(₹ Lakh)

Sl.No. Particulars	Gross Block			Depreciation			Net Block	
	As at April 1, 2020	Additions during the year	Deductions/ Adjustments	As at March 31, 2021	For the year	Deduction	As at March 31, 2021	As at March 31, 2021
1 Software	506	3222	-	3728	602	-	970	2758
Total	506	3222	-	3728	602	-	970	2758

As at March 31, 2020

(₹ Lakh)

Sl.No. Particulars	Gross Block			Depreciation			Net Block	
	As at April 1, 2019	Additions during the year	Deductions/ Adjustments	As at March 31, 2020	For the year	Deduction	As at March 31, 2020	As at March 31, 2020
1 Software	418	88	-	506	125	-	368	138
Total	418	88	-	506	125	-	368	138

2.4 Intangible Assets under Development

As at March 31, 2021

(₹ Lakh)

Sl.No. Particulars	As at April 1, 2020	Additions during the year	Deductions/ Adjustments	Total WIP as at March 31, 2021	Capitalised during the year	As at March 31, 2021
Total	3187	363	-	3550	3061	489

As at March 31, 2020

(₹ Lakh)

Sl.No. Particulars	As at April 1, 2019	Additions during the year	Deductions/ Adjustments	Total WIP as at March 31, 2020	Capitalised during the year	As at March 31, 2020
Total	1692	1529	-	3221	34	3187

2.5 Non-current assets-Financial Assets-Investments

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Investment in Equity instruments		
Non Trade-Unquoted (at cost)		
(a) Subsidiary Companies		
1896680000 (P:Y:946680000) Equity Shares of ₹ 10/- each in SJVN Thermal Pvt. Ltd.	189668	94668
217707722 (P:Y:135547722) Equity Shares of ₹ 62.50/- each in Arun-3 Power Development Company Pvt. Ltd.	136067	84717
(b) Joint Venture Companies		
12612473 (P:Y:12612473) Equity Shares of ₹ 10/- each in Cross Border Power Transmission Company Ltd.	1261	1261
19042730 (P:Y:16652730) Equity Shares of ₹ 100/- each in Kholongchhu Hydro Energy Ltd	19043	16653
(c) Others		
17500000 (P:Y:NIL) Equity Shares of ₹ 1/- each in Pran Urja Solution Limited	175	-
Total Investments	346214	197299



2.6 Non - current assets-Financial Assets-Loans

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Security Deposits		
- Secured Considered Good	-	-
- Unsecured Considered Good	233	232
- Doubtful	-	-
	233	232
Loans to Related Parties		
Loans to Directors		
- Secured considered good	17	7
- Unsecured considered good	3	11
- Doubtful	-	-
	20	18
Other Loans		
Loan to officers of the company		
- Secured considered good	27	8
- Unsecured considered good	9	28
- Doubtful	-	-
	36	36
Loans to other Employees		
- Secured considered good	6949	5431
- Unsecured considered good	412	379
- Doubtful	-	-
	7361	5810
Other Advances:		
Unsecured considered good		
-Directors	-	-
-Officers of the Company	-	-
-Other Employees	541	687
	541	687
Total	8191	6783
Loans to relatives of related party	-	-

2.7 Non - current assets-Financial Assets-Others

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Share application money pending allotment in subsidiary companies		
SJVN Thermal Pvt. Ltd. #	25000	5000
SJVN Arun-3 Power Development Company Pvt. Ltd.##	16650	-
Bank Deposit with more than 12 months maturity *	3820	-
Interest Accrued but not due on deposits with Banks	57	-
Total	45527	5000

* Pledged with banks for bank guarantee

Pledged with banks for bank guarantee

250000000 Equity shares of ₹ 10.00 each issued by SJVN Thermal Pvt. Ltd. on 21.06.2021

26640000 Equity shares of ₹ 62.50 each issued by SJVN Arun-3 Power Development Company Pvt. Ltd. on 17.06.2021

2.8 Deferred tax assets (net)

(₹ Lakh)

As at March 31, 2021	As at April 1, 2020	Additions/ (Adjustments) during the period	As At March 31, 2021
Deferred Tax Assets			
Temporary difference in carrying amount of PPE/ Intangible assets	20057	(6926)	13131
Temporary difference in Provisions	2737	230	2967
Deferred revenue	28169	(1127)	27042
MAT credit entitlement	27500	(8368)	19132
Total	78463	(16191)	62272

As at March 31, 2020

(₹ Lakh)

As at March 31, 2020	As at April 1, 2019	Additions/ (Adjustments) during the period	As At March 31, 2020
Deferred Tax Assets			
Temporary Difference in carrying amount of PPE/ Intangible assets	30556	(10499)	20057
Temporary Difference in Provisions	291	2446	2737
Deferred Revenue	-	28169	28169
MAT credit entitlement	36564	(9064)	27500
Total	67411	11052	78463



2.9 Other non-current assets

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Capital Advances		
Advances to Suppliers and Contractors		
Secured by hypothecation of Equipment/Material	597	1021
Unsecured considered good		
-Covered by Bank Guarantees	3292	1991
-Others	1761	727
Advances to Govt Departments	16692	6209
Less: Provision for Expenditure	202	218
	<u>16490</u>	<u>5991</u>
Total - Capital Advances	<u>22140</u>	<u>9730</u>
Other Advances		
Accrued Interest on Advances to Contractors	59	59
Advance Tax	134145	105516
Tax Deducted at Source	8774	7736
	142919	113252
Less: Provision for Tax	142325	105043
	<u>594</u>	<u>8209</u>
Total - Other Advances	<u>653</u>	<u>8268</u>
Others		
Prepaid Expenses	24	137
Deferred Employee Benefits Expense	2109	2557
Total - Others	<u>2133</u>	<u>2694</u>
Total Other Non Current Assets	<u>24926</u>	<u>20692</u>

2.10 Inventories

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Stores and Spares	5619	4953
Less : Provision for Shortage of store and Obsolescence	4	4
Total	<u>5615</u>	<u>4949</u>

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

2.11 Trade receivables

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Unsecured considered good	52296	74544
Total	<u>52296</u>	<u>74544</u>
a) Trade receivables includes amount due from subsidiaries	105	98

b) Based on arrangement between company, banks and beneficiaries, the bills of the beneficiaries have been discounted. Accordingly, trade receivables have been disclosed net of bills discounted amounting to ₹ 20107 lakh (P.Y. ₹ 15000 lakh) (refer note no. 2.50)

2.12 Cash and cash equivalents

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Balances with Banks		
Current Accounts	2997	1323
Term Deposits (having original maturity of upto 3 months)	1063	23498
	4060	24821
Cheques & Drafts in hand	-	2
Total	<u>4060</u>	<u>24823</u>

2.13 Bank balance other than cash and cash equivalents

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Earmarked Balance (Unpaid Dividend)	282	266
Margin Money for BG/ Letter of Credit and Pledged deposits	4896	4813
Other Term Deposits(having original maturity of more than 3 months)	85021	191260
Total	<u>90199</u>	<u>196339</u>



2.14 Current assets-Financial assets-Loans

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Loans to Related Parties		
Loans to Directors		
- Secured considered good	15	4
- Unsecured considered good	4	6
- Doubtful	-	-
	<u>19</u>	<u>10</u>
Other Loans		
Loan to officers of the company:		
- Secured considered good	2	8
- Unsecured considered good	19	24
- Doubtful	-	-
	<u>21</u>	<u>32</u>
Loans to other Employees		
- Secured considered good	1153	917
- Unsecured considered good	169	188
- Doubtful	-	-
	<u>1322</u>	<u>1105</u>
Other Advances:		
Unsecured considered good		
-Directors	-	12
-Officers of the Company	21	61
-Other Employees	704	559
	<u>725</u>	<u>632</u>
Total Loans	<u>2087</u>	<u>1779</u>
Loans to relatives of related party	-	-

2.15 Current assets-Financial assets-Others

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Interest Accrued but not due on deposits with Banks	1552	5952
Unbilled Revenue	25321	14769
Amount Receivable for Late Payment Surcharge	33179	-
Amount Recoverable from Contractors & Suppliers	10257	9681
Amount Receivable from Subsidiaries/ Joint Ventures	3007	19089
Amount Receivable from Others	150	225
Total Other Financial Assets	<u>73466</u>	<u>49716</u>

2.16 Other current assets

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Advances other than Capital Advances		
Other Advances		
Advances to Officers of the Company	-	1
Advances to other employees of the Company	3	2
	<u>3</u>	<u>3</u>
Advance to Suppliers and Contractors		
-Secured Considered Good	14	-
- Unsecured, considered good	538	146
-Doubtful	9	9
	<u>561</u>	<u>155</u>
Less Provision for Doubtful Advances	9	9
	<u>552</u>	<u>146</u>
Accrued Interest on Advances to Contractors	26	-
Advances to Govt Departments		
-Secured Considered Good		
- Unsecured, considered good *	9013	6871
-Doubtful	-	-
	<u>9013</u>	<u>6871</u>
Less Provision for Expenditure	1275	1275
	<u>7738</u>	<u>5596</u>



Advances to Others			
-Secured Considered Good	-		-
- Unsecured, considered good	179		193
-Doubtful	-		-
	179		193
Less Provision for Doubtful Advances	-		-
		179	193
Others			
Surplus Stores/Equipments	2925		674
Less: Provision for Shortage/ Obsolescence	2589		338
		336	336
Prepaid Expenses		5667	5746
Deferred Employees Benefits Expense		305	350
Amount Recoverable from Ex-Employees	7		7
Less: Provisions	7		7
		-	-
Other		4	15
Total		14810	12385

* Includes an amount of ₹ 1144 lakh (PY. ₹ 1144 lakh) paid to Govt of Himachal Pradesh (GoHP) during F.Y. 2014-15 towards lease rent for diverted forest land of RHPS which has been protested by the company and included in amount recoverable from Government Departments. As per letter no F.NO II-79/2005-FC dated 01.06.2006 and F.NO II-306/2014-FC dated 08.08.2014 of Ministry of Environment and Forest (FC Division) GoI, no fresh conditions can be imposed by the States without the prior approval of the Central Government subsequent to the approval granted by the Central Government under the Forest (Conservation) Act 1980. As no fresh condition imposed by the Central Government to charge the lease amount and execute the lease deed, the amount has been shown under Other Advances.

2.17 Regulatory Deferral Account Debit Balance

As at March 31, 2020

(₹ Lakh)

	As at April 1, 2020	Movement during the year	As At March 31, 2021
Foreign exchange rate variation on foreign currency loans	33828	(8677)	25151
Employee benefits expense (pay revision)	19459	4313	23772
Interest on arbitration award	-	25782	25782
O&M / Security Expenses recoverable in tariff	-	11465	11465
Total	53287	32883	86170

As at March 31, 2020

(₹ Lakh)

	As at April 1, 2019	Movement during the year	As at March 31, 2020
Foreign exchange rate variation on foreign currency loans regarded as borrowing cost	18734	15094	33828
Employee benefits expense (pay revision)	15259	4200	19459
Total	33993	19294	53287

Disclosures as per Ind AS 114 'Regulatory Deferral Accounts' are provided in Note No. 2.52

2.18 Equity Share Capital

(₹ Lakh)

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
AUTHORISED				
Equity Shares of par value ₹ 10/- each	7000000000	700000	7000000000	700000
ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity Shares of par value ₹ 10/- each fully paid up	3929795175	392980	3929795175	392980
Total		392980		392980

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.

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

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	%	No. of Shares	%
President of India	2354802133	59.92	2354802133	59.92
Governor of Himachal Pradesh	1055014800	26.85	1055014800	26.85

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

(₹ Lakh)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
Number of shares at the beginning	3929795175	392980	3929795175	392980
No. of shares issued during the year	-	-	-	-
No. of shares bought back during the year	-	-	-	-
Number of shares at the end	3929795175	392980	3929795175	392980



Dividends:

Dividends Paid and recognised during the year

(₹ Lakh)

Particulars	As At March 31, 2021	As At March 31, 2020
Final dividend for the F.Y. 2019-20 @ ₹ 0.50 (P.Y. ₹ 0.65) per share	19649	25544
Interim dividend for the F.Y. 2020-21 @ ₹ 1.80 (P.Y. ₹ 1.70) per share	70736	66807
	<u>90385</u>	<u>92351</u>

Dividends not recognised at the end of the reporting period

(₹ Lakh)

Particulars	As At March 31, 2021	As At March 31, 2020
The Board of Directors of the company have proposed final dividend for the year 2020-21 @ ₹ 0.40 (P.Y. ₹ 0.50) per share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	15719	19649
	<u>15719</u>	<u>19649</u>

2.19 Other Equity

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
A Capital Redemption Reserve *	20683	20683
B Retained Earnings		
Opening Balance	789768	746779
Add: Profit for the Year as per Statement of Profit and Loss	163304	155743
Add: Other comprehensive income during the year	(166)	(1420)
Less: Dividends		
Final Dividend Paid	19649	25544
Interim Dividend Paid	70736	66807
Less: Tax on Dividend:		
On Final Dividend	-	5251
On Interim Dividend	-	13732
Closing Balance	<u>862521</u>	<u>789768</u>
Total Other Equity (A+ B)	<u>883204</u>	<u>810451</u>

* Capital Redemption Reserve has been created from distributable profit for the buyback of the shares in the FY 2017-18. There is no movement in the Capital Redemption Reserve during the year.

2.20 Non-current liabilities-Financial liabilities-Borrowings

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Term Loans		
From Banks:		
A Secured		
Axis Bank Limited *	-	16688
(Repaid during the year by swapping with loan from HDFC Bank)		
Punjab National Bank #	28900	10599
(Repayable in quarterly instalments from June 2024 to March 2035 at floating (MCLR with annual reset) interest rate of 7.60% p.a. as on 31.03.2021)		
HDFC Bank Limited *	12236	-
(Repayable in quarterly instalments from September 2020 to December 2023, carrying interest@ 5.90% p.a. (linked with Repo rate)		
Total (A)	<u>41136</u>	<u>27287</u>

* Secured by equitable mortgage/hypothecation of all present and future fixed assets and book debts as first charge of Rampur HPS.

Secured by equitable mortgage/hypothecation of all present and future immovable/ movable properties as first charge of Natwar Mori HEP.

B Unsecured:

(₹ Lakh)

Foreign Currency Loans		
(Guaranteed by Govt of India)		
World Bank (IBRD)	169132	194093
(Repayable in 30 half yearly instalments from May 2013, carrying interest@ LIBOR+variable spread p.a.)		
Total (B)	<u>169132</u>	<u>194093</u>
Total Borrowings (A+B)	<u>210268</u>	<u>221380</u>
Less: Current maturities of long term debts		
Rupee term loans from banks- secured	4456	4440
Foreign Currency loans from world bank	20244	19721
Total	<u>185568</u>	<u>197219</u>

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



2.21 Non-current liabilities-Financial liabilities-Lease liabilities

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Lease liabilities - Non current	917	1257
Total	917	1257

Disclosure as per Ind AS-116 has been given under note no. 2.54

2.22 Non-current liabilities-Financial liabilities-Others

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Deposits, Retention Money from Contractors and Others	1	1
Total	1	1

2.23 Non Current Provisions

(₹ Lakh)

Particulars	As At March 31, 2021	As At March 31, 2020
Unfunded Employee Benefits	9658	8549
Total	9658	8549

Disclosures as per Ind AS 19 'Employee benefits' are provided in Note No. 2.43

2.24 Other non-current liabilities

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Income Received in Advance:		
- Advance Against Depreciation	74163	77388
Deferred Revenue:		
- Government Grant	5	5
- Deferred Income from Foreign Currency Fluctuation	1031	1071
Total	75199	78464

2.25 Current liabilities-Financial liabilities-Borrowings

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Unsecured		
Bank Overdrafts	5218	-
Total	5218	-

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

2.26 Current liabilities-Financial liabilities-Lease liabilities

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Lease liabilities- current	880	964
Total	880	964

Disclosure as per Ind AS-116 has been given under note no. 2.54

2.27 Trade payables

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Total Outstanding Dues of Micro and Small Scale Enterprises	642	686
Total Outstanding Dues of Creditors Other than Micro and Small Enterprises	3591	2541
Total	4233	3227

Disclosure regarding dues to micro and small enterprises as required by the MSMED Act is made in Note 2.58

2.28 Current liabilities-Financial liabilities-Others

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Current Maturities of Long Term debt		
Secured		
- Rupee Term Loans	4456	4440
Unsecured		
- Foreign Currency Loans (Guaranteed by GOI)	20244	19721
	24700	24161
Interest Accrued but not due on:		
- Foreign Currency Loans : World Bank	354	1644
Unpaid Dividend	282	266
Others Payables:		
Liability for Employees' Remuneration and Benefits	5124	6052
Liability for Purchase/Construction of Fixed Assets:		
- Micro and Small Enterprises	387	327
- Other than Micro and Small Enterprises	28040	11960
Deposits, Retention Money from Contractors and Others	11065	12147
Amount Payable to Gratuity/Post Retirement Medical Trust	1032	1939
Others	12	16
Total	70996	58512

Disclosure regarding dues to micro and small enterprises as required by the MSMED Act is made in Note 2.58

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 2.20



2.29 Other current liabilities

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Revenue Received in Advance:		
Advance against Depreciation	3224	3224
Advance from Customers	3695	44
Other Advances		
TDS and Other Taxes Payable	758	1370
Others	76	-
Total	7753	4638

2.30 Current -Provisions

(₹ Lakh)

Particulars	As At March 31, 2021	As At March 31, 2020
Unfunded Employee Benefits *	1136	893
Performance Related Pay	6664	5493
Corporate Social Responsibility/SD	-	74
Interest on Arbitration Awards	41059	14010
Others	891	891
Total	49750	21361

* Disclosures as per Ind AS 19 'Employee benefits' are provided in Note No. 2.43

Disclosures required by Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' are provided in Note No. 2.50

2.31 Revenue from Operations

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Sales		
Energy Sales	242205	239946
Less:		
Regulated Power Adjustment- Margin	76	381
Regulated Power Adjustment- Expenses	16	56
	242113	239509
Advance Against Depreciation	3224	3224
	245337	242733
Less: Rebate to Customers	530	754
	244807	241979
Consultancy Income	544	1122
Total	245351	243101
Other operating revenues		
Interest from Beneficiaries	3470	27557
Others	262	103
Total	3732	27660
Total Revenue from Operations	249083	270761

Pending approval of tariff by CERC, sales for the year in respect of hydro power stations have been recognised in accordance with the tariff approved and applicable as on 31.03.2019 as provided in the CERC (Terms and Conditions of Tariff) regulations 2019.

Energy sales and interest from beneficiaries includes an amount of ₹ 5635 lakh and ₹ 3390 lakh respectively pertaining to earlier years on truing up of tariff in respect of RHPS for the period 2014-19 (Previous year energy sales and interest from beneficiaries include an amount of ₹ 852 lakh and ₹ 27557 lakh respectively pertaining to earlier years on finalisation of tariff of NJHPS and RHPS for the period 2004-2009 to 2014-19.

During the year, the Company has regulated the power of some of the beneficiaries after they 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 9.07 MUs (P.Y. 28.34 MUs) of power was sold through PTC amounting to ₹223 lakh (P.Y ₹ 764 lakh) and included in Energy Sales. An amount of ₹ 76 lakh (P.Y. ₹ 381 lakh) excess realised as compared to regulated energy charges has been adjusted as Margin from Debtors and Sales after adjusting the expenses of ₹16 lakh (P.Y. ₹ 56 lakh) on Sale through PTC.

2.32 Other Income

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Interest Income		
Banks	11348	20485
Employees	960	645
Contractors	13	256
Others	71	1657
	12392	23043
Other Non-Operating Income		
Late Payment Surcharge From Beneficiaries *	58416	10729
Receipt of Maintenance of ICF	251	243
Dividend from Subsidiary / Associate / Joint Venture	265	-
Government Grant	1	1
Foreign Currency Fluctuation Adjustment	40	40
Sale of Scrap	70	6
Miscellaneous Income #	789	4701
Total	72224	38763

* During the year CERC has amended the Regulation 59 of CERC (Terms and conditions of Tariff) Regulations,2019 by notification dated 19.02.2021. Pursuant to the said amendment, late payment surcharge from beneficiaries has been recognised accordingly.



Details of Miscellaneous Income:

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Hire Rental Charges from Contractor	-	5
Profit on Sale of Fixed Assets	1	97
Rent Recovery from Staff/Others	81	41
Excess Provision Written Back	2	3
Liquidated Damages (LD) recovered	311	4258
Claim Received from Insurance Company	249	22
Other Misc. Receipts	145	275
Total	789	4701

2.33 Employee Benefits Expense

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Salaries, Wages, Allowances and Benefits	25540	25001
Contribution to Provident and Other Funds	3493	3324
Leave Salary and Pension Contribution *	43	124
Welfare Expenses	2979	2319
	32055	30768
	32055	30768

Leave Salary and Pension Contribution is on account of retirement benefits of deputationists working in the company payable to their parent organisations. Disclosures required by Ind AS 19 'Employee benefits' in respect of provision made toward various employee benefits are provided in Note No. 2.43

2.34 Finance Costs

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Interest Expenses on:		
Working Capital Loan	14	-
Foreign Currency Loans	1753	5272
Rupee Term Loans	1021	1632
Exchange differences regarded as adjustment to borrowing costs.	(5539)	17135
	(2751)	24039
Other Borrowing Costs		
Guarantee fees to Government of India	2161	2609
Finance charges on lease liabilities	99	113
Other finance charges	206	46
Total	(285)	26807

2.35 Depreciation and Amortization Expense

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
On property, plant and equipment (Note 2.1)*	39171	38801
On intangible assets (Note 2.3)	602	125
Less: Depreciation attributable to Construction (Note 2.2.1)	446	506
Less: Depreciation written back	-	11
Depreciation Charged to Statement of Profit & Loss	39327	38409
	1714	1946

* Includes depreciation/ amortization of ROU assets

2.36 Other Expenses

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Repair and Maintenance:		
Buildings	1619	1822
Roads	142	494
Plant & Machinery	1776	1527
Office Equipments & Furnitures	34	24
Civil Works	938	819
Electro Mechanical Works	2963	2387
Vehicles	97	109
Others	872	841
	8441	8023
Rent	8	180



Rates & Taxes		25	27
Insurance		4786	4601
Security Expenses		5181	4986
Electricity Charges	1084		1240
Less:- Recovered from Employees & Contractors	<u>73</u>		<u>49</u>
		1011	1191
Travelling & Conveyance		150	690
Training and Recruitment Expenses	308		1507
Less:- Cost of Application Forms Received	<u>4</u>		<u>51</u>
		304	1456
Legal Expenses		206	208
Professional and Consultancy Charges		832	246
Communication Expenses		409	204
Printing & Stationery	204		147
Less: Receipts from Sale of Tenders	<u>8</u>		<u>6</u>
		196	141
Payment to Auditors		42	37
Advertisement & Publicity		322	365
EDP Expenses		928	338
Hiring of Vehicles		282	156
Entertainment Expenses		77	42
Expenses on Transit Camps		66	59
Books & Periodicals		44	23
Contribution to PM CARES Fund		-	500
C.S.R./ Sustainable Development Expenses		5350	3619
Stores Written Off		26	7
Loss on Disposal/Write off of Fixed Assets *		2257	569
Directors Sitting Fees		11	16
Business Promotion Expenses		69	203
Fees and subscription		1055	348
Environment & Ecology Expenses		129	134
Interest on Arbitration Awards		2877	1261
Interest to Beneficiaries #		1635	6352
Miscellaneous Expenses		156	232
Exchange Rate Variation		-	75
Expenses on Regulated Power	16		56
Less: Regulated Power Adjustment - Sales	<u>16</u>		<u>56</u>
		-	-
Rehabilitation Expenses		<u>7</u>	<u>-</u>
Total		<u>36882</u>	<u>36289</u>
Stores Consumption Included in Repairs and Maintenance		<u>1866</u>	<u>1284</u>

* Loss on Disposal/Write off of Fixed Assets includes an amount of ₹ 2251 lakh on account of derecognition of capital spares from property, plant & equipment on becoming unserviceable. (Previous year includes ₹ 549 lakh on account of loss due to flashover of BUS Reactor and Generator Circuit Breaker.

Interest to beneficiaries is on account of truing up of tariff of RHPS for the period 2014-19 (P.Y. on finalisation of tariff of NJHPS for the period 2004-09 & 2014-19).

2.37 Exceptional Items

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Special Rebate to Customers (refer note no. 2.63)	5173	609
Interest on arbitration award (refer note no. 2.50)	<u>24171</u>	<u>-</u>
Total	<u>29344</u>	<u>609</u>

2.38 Net movement in regulatory deferral account balance

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Regulatory Deferral Account Debit Balance:		
Foreign exchange rate variation on foreign currency loans	(8677)	15094
Employee benefits expense (pay revision)	4313	4200
Interest on arbitration award	25782	-
O&M / Security Expenses recoverable in tariff	<u>11465</u>	<u>-</u>
Total	<u>32883</u>	<u>19294</u>



NOTE-2.39 : Disclosure on Financial Instruments and Risk Management

(1) Fair Value Measurement

A) Financial Instruments by category

(₹ Lakh)

Particulars	Notes	As at	As at
		March 31, 2021	March 31, 2020
		Amortised Cost	Amortised Cost
Financial assets			
Non-current Financial assets			
(i) Non-current investments *			
-Equity Instrument (Unquoted)	2.5	346214	197299
(ii) Loans (to employee & others)	2.6	8191	6783
(iii) Others:			
-Share application money pending allotment in subsidiary companies	2.7	41650	5000
-Bank Deposits with more than 12 Months Maturity (including accrued interest)	2.7	3877	-
Current Financial assets			
(i) Trade receivables	2.11	52296	74544
(ii) Cash and cash equivalents	2.12	4060	24823
(iii) Bank balances other than Cash and cash equivalents	2.13	90199	196339
(iv) Short-term loans (to employee & others)	2.14	2087	1779
(v) others :			
(a) Amount recoverable from supplier & contractors	2.15	10257	9681
(b) interest receivable on investments and bank deposits	2.15	1552	5952
(c) other receivables	2.15	61657	34083
Total Financial Assets		622040	556283
Financial Liabilities			
Non Current Financial Liabilities			
(i) Long -Term Borrowings			
a) Term Loan From Domestic Bank	2.20	36680	22847
b) Term Loan from others	2.20	148888	174372
(ii) Lease Liabilities	2.21	917	1257
(iii) Deposits/Retention Money-non current	2.22	1	1
Current Financial Liabilities			
(i) Short-term borrowings	2.25	5218	-
(ii) Lease liabilities	2.26	880	964
(iii)Trade Payables (MSMED)	2.27	642	686
(iv)Trade Payables (other than MSMED)	2.27	3591	2541
(v) Other Current financial liabilities			
a) Current Maturity of Term Loan from Domestic bank	2.28	4456	4440
b) Current Maturity of Term Loan from others	2.28	20244	19721
c) interest accrued but not due on borrowings	2.28	354	1644
d) Deposits/Retention Money	2.28	11065	12147
e) Liability against Capital Works/Supplies	2.28	28427	12287
f) Other Payables	2.28	6450	8273
Total Financial Liabilities		267813	261180

* At Cost

Note:The company does not classify any financial asset/financial liability at fair value through profit or loss (FVTPL) & fair value through other comprehensive income (FVTOCI).

B) FAIR VALUATION MEASUREMENT

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has to classify its financial instruments into the three levels prescribed under the accounting standards.

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

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



value an instrument are observable, the instrument is included in level 2. This includes security deposits/ retention money and loans at below market rates of interest.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

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

(₹ Lakh)

Particulars	As at March 31, 2021				As At March 31, 2020		
	Note No.	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets	2.6 & 2.14		10278			8562	
(i) Loans (to employee & others)							
(ii) Others	2.7		3877			-	
-Bank Deposits with more than 12 Months Maturity (including accrued interest)							
Total Financial Assets		-	14155	-	-	8562	-
Financial Liabilities							
(i) Long-term borrowings (including Current Maturity and interest)	2.20 & 2.28		210622			223024	
(ii) Lease liabilities	2.21&2.26		1797			2221	
(iii) Deposits/Retention Money (including Current)	2.22 & 2.28		11066			12148	
Total Financial Liabilities			223485			237393	

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

The Company values financial assets or financial liabilities using the best and most relevant data available. Specific valuation techniques used to determine fair value of financial instruments includes:

- Use of Quoted market price or dealer quotes for similar intruments.
- Fair value of remaining financial instruments is determined using discounted cash flow analysis.

The company performs the valuation of financial assets and liabilities required for financial reporting purpose .

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

(₹ Lakh)

Particulars	Note No.	As at March 31, 2021		As At March 31, 2020	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets at Amortised Cost					
(i) Loans	2.6 & 2.14	12692	10278	11469	8562
(ii) Bank Deposits with more than 12 Months Maturity	2.7	3877	3877	-	-
Total Financial Assets		16569	14155	11469	8562
Financial Liabilities at Amortised Cost					
(i) Long-term borrowings (including Current Maturity and interest)	2.20 & 2.28	210622	210622	223024	223024
(ii) Lease liabilities	2.21&2.26	1797	1797	2221	2221
(iii) Deposits/Retention Money	2.22 & 2.28	11066	11066	12148	12148
Total Financial Liabilities		223485	223485	237393	237393

Significant Estimates:

Note:

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



(2) Financial Risk Management

Financial risk factors

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan, trade and other receivables, investments and cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks as below:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash & Cash equivalents, Trade receivables and financial assets measured at amortised cost	Aging analysis	Diversification of bank deposits, credit limits and letter of credit
Liquidity Risk	Borrowings and other facilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk- Interest rate	Long term borrowings at variable rates	Sensitivity analysis	1. Diversification of fixed rate and floating rates 2. Refinancing 3. Actual interest is recovered through tariff as per CERC Regulation
Market Risk- foreign exchange	Recognised financial liabilities not denominated in INR	Sensitivity analysis	Foreign exchange rate variation on loans is recovered through tariff as per CERC regulation

i) Credit risk

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

ii) Liquidity risk.

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

iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at 31st March, 2021 and 31st March, 2020.

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

The company's risk management is carried out as per policies approved by Board of Directors from time to time.

(A) Credit Risk

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

a) Trade Receivables

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

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

b) Financial assets at amortised cost

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

c) Financial instruments and cash deposits

The Company considers factors such as track record, size/networth of the institution/bank, market reputation and service standards and limits and policies as approved by the board of directors to select the banks with which balances and deposits are maintained. The Company invests surplus cash in short term deposits with scheduled Banks.



(B) Liquidity Risk

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

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

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period.

(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Floating rate borrowings		
Term loans	16483	34784
Bank Overdraft	4782	-
Total	21265	34784

(ii) Maturities of Financial Liabilities:

The table below provides undiscounted cash flows towards company's financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date. Balance due within 1 year is equal to their carrying balances as the impact of discounting is not significant. (refer Note 2.20, 2.21, 2.22, 2.25 2.26, 2.27 and 2.29 of balance sheet)

As at March 31, 2021

(₹ Lakh)

Contractual maturities of financial liabilities	Note No.	Outstanding Debt As at March 31, 2021	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Years
1. Borrowings (including interest accrued but not due)	2.20 , 2.25 & 2.29	215840	30272	51889	70316	63363
2. Lease liabilities	2.21 & 2.26	1797	880	370	370	177
3. Other financial Liabilities	2.22 & 2.28	45943	45942	1		-
4. Trade Payables	2.27	4233	4233			-
Total Financial Liabilities		267813	81327	52260	70686	63540

As at March 31, 2020

(₹ Lakh)

Contractual maturities of financial liabilities	Note No.	Outstanding Debt As at March 31, 2020	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Years
1. Borrowings (including interest accrued but not due)	2.20 , 2.25 & 2.29	223024	25805	45972	49363	101884
2. Lease liabilities	2.21 & 2.26	2221	964	1056	171	30
3. Other financial Liabilities	2.22 & 2.28	32708	32707	1		
4. Trade Payables	2.27	3227	3227			
Total Financial Liabilities		261180	62703	47029	49534	101914

(C) Market Risk:

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

(i) Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates and any changes in the interest rates environment may impact future cost of borrowing. Company does not have fixed rate borrowings.

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

(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Variable Rate Borrowings (FC)	169132	194093
Variable Rate Borrowings (INR)	46354	27287
Total	215486	221380

Interest Rate Sensitivity Analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings .



(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Effect on Profit Before Tax with rise of 25 basis points	(539)	(553)
Effect on Profit Before Tax with rise of 50 basis points	(1077)	(1107)

(ii) Price Risk:
(a) Exposure

The company has no exposure to price risk as there is no investment in equity shares which are listed in recognised stock exchange and are publicly traded in the stock exchanges.

(iii) Foreign Currency Risk

The company is compensated for variability in foreign currency exchange rate through recovery by way of tariff adjustments under the CERC Tariff Regulations.

(a) Foreign Currency Risk Exposure:

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows :

Particulars	As at March 31, 2021	As at March 31, 2020
Foreign Currency	USD	USD
Net Exposure to foreign currency risk (asset)	-	-
Financial Liabilities:		
Foreign currency loan including interest accrued but not due (₹ in Lakh)	169486	195737
Net Exposure to foreign currency risk (liabilities)	169486	195737

The above foreign currency risk exposure is for foreign currency loans taken for construction of Rampur Hydro Power Station from World Bank. As per accounting policy of the company transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date. Non-monetary items denominated in foreign currency are reported at the exchange rate prevailing at the date of transaction. ii. Exchange differences arising on translation or settlement of monetary items are recognised in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of fixed assets entered up to March 31, 2016 are adjusted to carrying cost of fixed assets.

The Company has elected to avail the exemption available under IND AS 101, with regard to continuation of policy for accounting of exchange differences arising from translation of long term foreign currency monetary liabilities. However, there is no impact on the Profit & Loss of the company due to change in foreign currency rates as the same is the pass through item to the beneficiaries as per CERC guidelines applicable to the period 2014-19.

(3) Capital Management
(a) Capital Risk Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended 31st March, 2021.

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

Statement of Debt Equity Ratio		(₹ Lakh)	
Particulars	As at March 31, 2021	As at March 31, 2020	
(a) Total Debt	215840	223024	
(b) Total Capital	1276184	1203431	
Debt Equity Ratio (a/b)	0.17	0.19	

Note: For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

(b) Loan Covenants:

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

1. Company shall maintain credit rating AA and if rating comes down, rate of interest shall be increased by 65 basis point for each notch below AA rating in accordance with the applicable rates.
2. Debt to net worth should not exceed 2:1.

During the year the company has complied with the above loan covenants.



(c) Dividends:

(₹ Lakh)

(i) Equity Shares	As at March 31, 2021	As at March 31, 2020
Final dividend for the year 2019-20 of INR 0.50 per fully paid share approved in Sep-2020. (INR 0.65 per fully paid share for FY 2018-19 approved in Sep-2019).	19649	25544
Interim dividend for the year ended 31 st March, 2021 of INR 1.80 per fully paid share (For the year ended 31 st March 2020- INR 1.70 per fully paid share).	70736	66807
(ii) Dividend not recognised at the end of the reporting period	15719	19649

2.40 Disclosure as per Ind AS 1 "Presentation of financial statements"

a) Changes in significant accounting policies:

During the year, following changes to the accounting policies have been made:

- Policy no. 1.21 'Income Taxes' has been modified during the current financial year. Impact of the same has been disclosed in note no 2.41 & 2.42.
- Certain changes/additions have been made in the policy number 1.1,1.4,1.12, 1.13, 1.16, 1.18, 1.19, 1.20 & 1.24 for improved disclosure. However, there is no impact on the financial statements due to these changes.

2.41 Disclosure as per Ind AS 8 - 'Accounting Policies, Changes in Accounting Estimates and Errors'

(A) Restatement for the year ended 31st March 2020 and as at 1st April 2019

In accordance with Ind AS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1, 'Presentation of Financial Statements', the Company has retrospectively restated its Balance Sheet as at 31st March 2020 and 1st April 2019 (beginning of the preceding period) and Statement of Profit and Loss and Statement of Cash Flows for the year ended 31st March 2020 for the reasons as stated in the notes below.

Reconciliation of Restated items of Balance Sheet as at 31st March 2020 & 1st April 2019 :

(₹ Lakh)

Particulars	Note	As at March 31, 2020			As at April 1, 2019		
		As previously reported	Adjustments	As restated	As previously reported	Adjustments	As restated
Property, plant and equipment	(ii)	754807	2131	756938	768300	-	768300
Right-of-use-assets	(ii)	2131	(2131)	-	-	-	-
Non-current financial assets- Investments	(ii)	221276	(23977)	197299	129239	(51095)	78144
Other Non-current financial assets	(ii)	-	5000	5000	-	-	-
Deferred tax assets (net)	(i)	50963	27500	78463	30847	36564	67411
Current financial assets- Loans	(ii)	1891	(112)	1779	1688	(105)	1583
Other current financial assets	(ii)	30627	19089	49716	86137	51200	137337
Other Equity	(i)	782951	27500	810451	730898	36564	767462

Reconciliation of restated items of Statement of Profit and Loss for the year ended 31st March 2020

(₹ Lakh)

Particulars	Note	As previously reported	Adjustments	As restated
Revenue from Operations	(ii)	270152	609	270761
Exceptional Items	(ii)	-	609	609
Current Tax expense	(i)	33671	382	34053
Deferred tax expense	(i)	(20116)	9064	(11052)
Profit After Tax		165189	(9446)	155743
Income Tax on Other Comprehensive Income	(i)	381	382	763
Total Comprehensive Income for the year		163387	(9064)	154323
Earnings Per Equity Share (excluding net movement in regulatory deferral account) – Basic and Diluted (₹)		3.80	(0.24)	3.56
Earnings Per Equity Share (including net movement in regulatory deferral account) – Basic and Diluted (₹)		4.20	(0.24)	3.96

Reconciliation of Statement of Cash Flows for the year ended 31st March 2020

(₹ Lakh)

Particulars	Note	As previously reported	Adjustments	As restated
Loans, other financial assets and other assets	(ii)	(3477)	32118	28641
Investment in subsidiaries and joint ventures	(ii)	(92037)	(27118)	(119155)
Share Application Money paid to subsidiaries	(ii)	-	(5000)	(5000)
Net cash generated by operating activities		167756	32118	199874
Net cash used in investing activities		(11891)	(32118)	(44009)
Cash used in financing activities		(134543)	-	(134543)
Net increase / (decrease) in cash and cash equivalents		21322	-	21322
Opening balance of cash and cash equivalents		3501	-	3501
Closing balance of cash and cash equivalents		24823	-	24823

Notes:

- During the year, company has recognized the deferred tax asset on account of minimum alternate tax (MAT), the benefit of which is likely to be available in future years.
- Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements.



2.42 Disclosures as per Ind AS 12 "Income taxes"
(a) Income tax expense
i) Income tax recognised in the statement of profit and loss

(₹ Lakh)

Particulars	For the year ended	
	31 st March 2021	31 st March 2020
Current tax expense		
Current year	31627	30682
Adjustment relating to earlier years	-	17192
Pertaining to regulatory deferral account balances	5745	3371
Total Current tax expense	37372	51245

ii) Income tax recognized in other comprehensive income

(₹ Lakh)

Particulars	For the year ended					
	31 st March 2021			31 st March 2020		
	Before Tax	Tax expense/ (benefit)	Net of tax	Before Tax	Tax expense/ (benefit)	Net of tax
Net actuarial gains/(losses) on defined benefit plans	(255)	(89)	(166)	(2183)	(763)	(1420)
Total	(255)	(89)	(166)	(2183)	(763)	(1420)

iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate.

(₹ Lakh)

Particulars	For the year ended	
	31 st March 2021	31 st March 2020
Profit before tax including movement in regulatory deferral account balances	216867	195936
Tax using the Company's domestic tax rate @ 34.944% (P.Y 34.944%)	75782	68468
Tax effect of :		
Non-deductible tax expenses	(5165)	(5201)
Tax-incentives u/s 80-IA	(24877)	(20150)
Deferred tax expenses / (income)	16191	(11052)
Adjustments relating to earlier years	-	17192
Minimum alternate tax adjustment	(8368)	(9064)
Total tax expense recognized in the statement of profit and loss	53563	40193

- b) In pursuance to section 115 BAA of the Income Tax Act, 1961 announced by Govt. Of India through Taxation Laws (Amendment) Act, 2019, the company has an option for a lower tax rate by foregoing certain exemptions/deductions. The company has not opted for this option as the company has sufficient MAT credit available to it in the future and continues to recognise the taxes on income as per the earlier provisions.
- c) During the F.Y. 2019-20 company opted for Vivad se Vishwas scheme for the settlement of the cases pending as on 31.01.2020. Accounting adjustment related to the scheme was carried out during the financial year 2019-20. The procedural formalities relating to the scheme have been completed during the year.
- d) During the year, for the first time the Company recognized cumulative MAT credit entitlement available to the Company as on 01.04.2019 amounting to ₹ 36564 Lakh, as the same is likely to give future economic benefits in the form of availability of set off against future income tax liability.

2.43 Disclosure under the provisions of IND-AS 19 'Employee Benefits':-
(a) Defined Contribution plans:
(i) 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. However, from the F.Y. 2021-22 the company has migrated to National Pension System (NPS).

(b) Defined benefit 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 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. The liability for the same is recognized on the basis of actuarial valuation. EPFO has not yet notified the interest rate on the employees provident fund for the F.Y. 2020-21. Pending notification of the rate by the Government, actuarial valuation has been carried out considering the provisional interest rate of 8.5% recommended by Ministry of Labour. However, actual obligation, if any shall be ascertained and paid to the trust after the notification of the rate by EPFO. Further, contribution to employee pension scheme has been paid to the appropriate authorities.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the provident fund plan as at balance sheet date:



(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Net defined benefit (asset) / liability – current	(1676)	1548

Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	For the year ended		For the year ended		For the year ended	
	31.03. 2021	31.03. 2020	31.03. 2021	31.03. 2020	31.03. 2021	31.03. 2020
Opening balance (A)	56980	47577	(55432)	(47783)	1548	(206)
Current service cost recognised in statement of profit and loss *	1903	2134	-	-	1903	2134
Interest cost/(income)	5064	4304	(6663)	(3895)	(1599)	409
Total (B)	6967	6438	(6663)	(3895)	304	2543
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	-	18	-	-	-	18
Experience adjustment	(172)	189	-	-	(172)	189
Return on Plan Assets Excluding Interest Income	-	-	(1453)	1138	(1453)	1138
Total (C)	(172)	207	(1453)	1138	(1625)	1345
Others						
Contributions by plan participants / employees	6116	5074	(6116)	(5074)	-	-
Employer contribution	-	-	(1903)	(2134)	(1903)	(2134)
Benefits Paid	(3711)	(2527)	3711	2527	-	-
Settlements/Transfer In	247	211	(247)	(211)	-	-
Total (D)	2652	2758	(4555)	(4892)	(1903)	(2134)
Closing Balance (A+B+C+D)	66427	56980	(68103)	(55432)	(1676)	1548

* Out of the above an amount of ₹ 286 Lakh (P.Y. ₹ 253 Lakh) has been transferred to expenditure attributable to construction period and an amount of Nil (P.Y. ₹ 179 Lakh) is recoverable from subsidiaries and joint venture companies.

As per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Company has no right to the benefits either in the form of refund from the plan or lower future contribution to the plan towards the net surplus of ₹ 1676 Lakh (P.Y. ₹ (1548) Lakh) determined through actuarial valuation. Accordingly, Company has not recognised the surplus as an asset, and the actuarial gains in 'Other Comprehensive Income', as these pertain to the Provident Fund Trust and not to the Company.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr.No.	Particulars	March 31, 2021		March 31, 2020	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period		66427		56980
2	Change in discount rate by 0.5%	(6)	7	(11)	11

(ii) 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.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Net defined benefit (asset) / liability – Current (Funded)	597	919

Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	For the year ended		For the year ended		For the year ended	
	31.03. 2021	31.03. 2020	31.03. 2021	31.03. 2020	31.03. 2021	31.03. 2020
Opening balance	8619	7756	(7700)	(7105)	919	651
Adjustment made in plan assets by the insurers after finalization of previous report	-	-	(919)	(659)	(919)	(659)
Adjusted Opening Balance (A)	8619	7756	(8619)	(7764)	-	(8)
Included in profit or loss for the year:						
Current service cost	532	504	-	-	532	504



Past service cost	-	-	-	-	-	-
Interest cost/(income)	585	601	(596)	(504)	(11)	97
Total amount recognised in profit or loss for the year * (B)	1117	1105	(596)	(504)	521	601
Included in other comprehensive income:						
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	(1)	-	-	-	(1)
Financial assumptions	23	679	-	-	23	679
Experience adjustment	53	(352)	-	-	53	(352)
Return on Plan Assets Excluding Interest Income	-	-	-	-	-	-
Total amount recognised in other comprehensive income* (C)	76	326	-	-	76	326
Others						
Contribution by Employer	-	-	-	-	-	-
Benefits Paid	(585)	(568)	585	568	-	-
Total (D)	(585)	(568)	585	568	-	-
Closing Balance (A+B+C+D)	9227	8619	(8630)	(7700)	597	919

* Out of the above an amount of ₹ 77 Lakh (P.Y. ₹ 117 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 66 Lakh (P.Y. ₹ 81 Lakh) is recoverable from subsidiaries and joint venture companies.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31, 2021		March 31, 2020	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period		9227		8619
2	Change in discount rate by 0.5%	(375)	405	(364)	393
3	Change in Salary increase rate by 0.5%	123	(143)	138	(158)

(iii) Post retirement medical scheme:

The Company has a Post retirement medical scheme, under which retired employee, spouse and eligible parents of retired employee are provided medical facilities in the Company hospitals/empanelled hospitals/other hospitals. They can also avail treatment as Out-Patient subject to rules and regulations made by the Company. The scheme is being managed by a separate trust created for the purpose and obligation of the company is to make contribution to the trust based on actuarial valuation. The liability towards the same is recognised on the basis of actuarial valuation.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the post retirement medical scheme and the amounts recognised in the Company's financial statements as at balance sheet date:

(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Net defined benefit (asset) / liability – Current (Funded)	549	1168

Includes an amount of ₹ 38 lakh (P.Y. ₹ 61 lakh) in respect of employees superannuated prior to 01.01.2007

Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	For the year ended		For the year ended		For the year ended	
	31.03. 2021	31.03. 2020	31.03. 2021	31.03. 2020	31.03. 2021	31.03. 2020
Opening balance	8098	6726	(6930)	(6438)	1168	288
Adjustment made in plan assets by the insurers after finalization of previous report	-	-	(1107)	(256)	(1107)	(256)
Adjusted Opening Balance (A)	8098	6726	(8037)	(6694)	61	32
Included in profit or loss for the year :						
Current service cost	389	334	-	-	389	334
Past service cost	-	-	-	-	-	-
Interest cost/(income)	549	521	(523)	(483)	26	38
Total amount recognised in profit or loss for the year * (B)	938	855	(523)	(483)	415	372
Included in other comprehensive income:						
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	(7)	-	-	-	(7)
Financial assumptions	30	749	-	-	30	749
Experience adjustment	115	30	-	-	115	30
Return on Plan Assets Excluding Interest Income	-	-	-	-	-	-
Total amount recognised in other comprehensive income* (C)	145	772	-	-	145	772
Others						
Contribution by Employer	-	-	-	-	-	-
Benefits Paid	(265)	(255)	193	247	(72)	(8)
Total (D)	(265)	(255)	193	247	(72)	(8)
Closing Balance (A+B+C+D)	8916	8098	8367	(6930)	549	1168

* Out of the above an amount of ₹ 69 Lakh (P.Y. ₹ 138 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 57 Lakh (P.Y. ₹ 88 Lakh) is recoverable from subsidiaries and joint venture companies.



Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31, 2021		March 31, 2020	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period		8916		8098
2	Change in discount rate by 0.5%	(519)	534	(471)	485
3	Change in Medical cost rate by 0.5%	539	(525)	489	(477)

(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 is recognised on the basis of actuarial valuation.

(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Net defined benefit (asset) / liability – Current (Non -funded)	10	6
Net defined benefit (asset) / liability – Non - Current (Non -funded)	215	171
Total Net defined benefit (asset) / liability – (Non -funded)	225	177

Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation For the year ended	
	31.03.2021	31.03.2020
Opening balance (A)	177	150
Included in profit or loss for the year / EAC:		
Current service cost	15	12
Past service cost	-	-
Interest cost/(income)	12	12
Total amount recognised in profit or loss for the year / EAC* (B)	27	24
Included in other comprehensive income:		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Demographic assumptions	-	-
Financial assumptions	1	10
Experience adjustment	40	7
Return on Plan Assets Excluding Interest Income	-	-
Total amount recognised in other comprehensive income* (C)	41	17
Others		
Contribution by Employer	-	-
Benefits Paid	(20)	(14)
Total (D)	(20)	(14)
Closing Balance (A+B+C+D)	225	177

* Out of the above an amount of ₹ 12 Lakh (P.Y. ₹ 5 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 7 Lakh (P.Y. ₹ 3 Lakh) is recoverable from subsidiaries and joint venture companies.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31, 2021		March 31, 2020	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period		225		177
2	Change in discount rate by 0.5%	(9)	9	(7)	7
3	Change in Cost increase rate by 0.5%	9	(9)	7	(7)

(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 is recognised on the basis of actuarial valuation.

(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Net defined benefit (asset) / liability – Current (Non -funded)	12	6
Net defined benefit (asset) / liability – Non - Current (Non -funded)	277	221
Total Net defined benefit (asset) / liability – (Non -funded)	289	227



Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation For the year ended	
	31.03.2021	31.03.2020
Opening balance (A)	227	169
Included in profit or loss / EAC for the year:		
Current service cost	20	16
Past service cost	-	-
Interest cost/(income)	15	13
Total amount recognised in profit or loss / EAC for the year* (B)	35	29
Included in other comprehensive income:		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Demographic assumptions	-	-
Financial assumptions	1	15
Experience adjustment	51	14
Return on Plan Assets Excluding Interest Income	-	-
Total amount recognised in other comprehensive income* (C)	52	29
Others		
Contribution by Employer	-	-
Benefits Paid	(25)	-
Total (D)	(25)	-
Closing Balance (A+B+C+D)	289	227

* Out of the above an amount of ₹ 7 Lakh (P.Y. ₹ 7 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 6 Lakh (P.Y. ₹ 4 Lakh) is recoverable from subsidiaries.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31, 2021		March 31, 2020	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period		289		227
2	Change in discount rate by 0.5%	(13)	14	(9)	10
3	Change in Cost increase rate by 0.5%	14	(13)	10	(9)

(vi) Plan Assets

Plan assets comprise the following :

(₹ Lakh)

Particulars	As at March 31, 2021			As at March 31, 2020		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
State Govt. Securities	27945	-	27945	21967	-	21967
Central Govt. Securities	7135	-	7135	6754	-	6754
Corporate bonds and term deposits	25940	-	25940	22348	-	22348
Equity and equity-linked investments	6803	-	6803	3760	-	3760
Investments with insurance companies	-	15547	15547	-	12957	12957
Others	-	94	94	-	81	81

Actual Return on Plan assets is ₹ 9235 Lakh (P.Y. ₹ 3744 Lakh)

(vii) Key Actuarial assumptions for Actuarial Valuation:

(₹ Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Mortality Table	IALM (2012-14)	IALM (2012-14)
Discount Rate	6.75%	6.78%
Future Salary Increase	6.50%	6.50%

(viii) Risk exposure

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

- A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Medical cost increase- Increase in actual medical cost per retiree will increase the plans liability. Increase in medical cost per retiree rate assumption will also increase the liability.
- C) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- D) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.



- E) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
 F) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(ix) The expected maturity analysis of Gratuity, TTA/Settlement allowance on retirement, Employee Provident fund, Retirement gifts and Post Retirement Medical Scheme.

Particulars 31-Mar-21	Less than a year	Between 1-5 years	Over 5 years	Total
Gratuity	865	2866	5496	9227
TTA/Settlement allowance on retirement (exit)	10	62	153	225
Employee Provident fund	10987	17829	37611	66427
Retirement Gifts/Long service award liability	12	85	192	289
Post Retirement Medical Scheme	222	1291	7403	8916
TOTAL	12096	22133	50855	85084
Particulars 31-Mar-20				
Gratuity	637	2493	5489	8619
TTA/Settlement allowance on retirement (exit)	5	44	128	177
Employee Provident fund	6989	15008	34983	56980
Retirement Gifts/Long service award liability	7	57	163	227
Post Retirement Medical Scheme	204	1155	6739	8098
TOTAL	8716	21349	53013	83078

c) Other Long Term Employee Benefit Plans

The company provides for earned leave benefit and half pay leave to the employees of the company which accrue annually at 30 days and 20 days respectively. Earned leave (EL) and Half pay leave (HPL) are en-cashable subject to limits and other conditions specified for the same. The scheme is un-funded and liability for the same is recognised on the basis of actuarial valuations. During the year, provision amounting to ₹ 1534 Lakh has been made on the basis of actuarial valuation at the year end and debited to statement of profit and loss (P.Y. ₹ 1834 Lakh).

2.44 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'.

(₹ Lakh)

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
(i) Amount charged to Statement of Profit and Loss excluding depreciation:		
- As FERV	-	75
- As Borrowing cost*	(5539)	17135
(ii) Amount charged to Expenditure Attributable to Construction:		
- As FERV	-	-
- As Borrowing cost	-	-
(iii) Amount adjusted by addition to carrying amount of fixed assets	-	-

* There is however no impact on profitability of the Company, as the impact of change in foreign exchange rates is recoverable from beneficiaries in terms of prevailing CERC (Terms & Conditions of tariff) Regulations.

2.45 Disclosure as per Ind AS 23 'Borrowing Cost'

Borrowing costs capitalised during the year is ₹ 1344 Lakh (P.Y: ₹ 468 Lakh).

2.46 Information on 'Related Party Disclosures' as per Ind AS 24 is provided as under:

a) List of Related Parties –

i) Directors & Key Management Personnel:

Shri Nand Lal Sharma	Chairman and Managing Director (CMD)
Shri Rakesh Kumar Bansal	Director (Electrical) upto 31.07.2020
Smt. Geeta Kapur	Director (Personnel)
Shri Surinder Pal Bansal	Director (Civil)
Shri Akhileshwar Singh	Director (Finance)
Shri Susheel Sharma	Director (Electrical) w.e.f 01.08.2020
Shri Aniruddha Kumar	Nominee Director, Government of India upto 10.06.2020
Shri Tanmay Kumar	Nominee Director, Government of India w.e.f 11.06.2020
Shri Ram Subhag Singh	Nominee Director, Government of Himachal Pradesh
Shri Subhash Chander Negi	Independent Director
Shri Rajnish Pande	Independent Director
Shri Soumendra Das	Company Secretary



ii) **Entities where control / significant influence exists Subsidiaries:**

(₹ Lakh)

Name of Entity	Principal Place of Operation / Country of Incorporation	Principal activities	% of Shareholding/ voting Power	
			As at March 31, 2021	As at March 31, 2020
SJVN Arun-3 Power Development Company Pvt. Ltd (Incorporated in Nepal)	Nepal	Power Generation	100%	100%
SJVN Thermal Pvt. Ltd (Incorporated in India)	India	Power Generation	100%	100%

iii) **Joint Ventures:**

(₹ Lakh)

Name of Entity	Principal Place of Operation / Country of Incorporation	Principal activities	% of Shareholding/ voting Power	
			As at March 31, 2021	As at March 31, 2020
Cross Border Power Transmission Company Ltd.	India	Power Transmission	26%	26%
Kholongchhu Hydro Energy Limited	Bhutan	Power Generation	50%	50%

iv) **Entities under the control of same government:**

The company is a Central Public Sector Undertaking (CPSU) controlled by Central Government by holding majority of the shares. Government of Himachal Pradesh also holds more than 25% shares in the company (Note No.2.18).Pursuant to paragraph 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of , or significant influence, then the reporting entity and other entities shall be regarded as related parties. Transactions with these parties are carried out at market terms at arm length basis. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the Company has significant transactions include but not limited to BHEL Ltd., Indian Oil Corporation Ltd., NBCC Limited.

v) **List of Other Related Parties:**

(₹ Lakh)

Name of Other Related Parties	Principal place of operation	Nature of Relationship
NJPC Ltd. Employees Provident Fund Trust	India	Post-employment benefit plan of SJVN
NJPC Ltd. Employee Gratuity Fund	India	Post-employment benefit plan of SJVN
SJVN Employees Defined Contribution Pension Fund.	India	Post-employment benefit plan of SJVN
SJVN Post Retirement Medical Scheme Trust (PRMS)	India	Post-employment benefit plan of SJVN
SJVN Foundation Trust	India	CSR-Trust
Sh. Romesh Kumar Kapoor	India	Relative of Director

b) **Transactions with related parties-**

i) Transactions with subsidiaries, Joint Ventures and Key Management Personnel (KMP) are as follows.

(₹ Lakh)

Particulars	Subsidiary Companies		Joint Ventures Companies		Key Management Personnel (KMP) & their relative	
	F.Y. 2020-21	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2019-20
A. Transactions During the Year						
1. Investment in Share Capital including Share Application Money						
a) SJVN Arun-3 Power Development Company Pvt. Ltd.	68000	65231				
b) SJVN Thermal Pvt. Ltd.	115000	56000				
c) Kholongchhu Hydro Energy Limited			2390	2924		
2. Consultancy Fee Received						
a) SJVN Arun-3 Power Development Company Pvt. Ltd.	544	481				
3. Dividend						
a) Cross Border Power Transmission Company Ltd.			265	-		
4. Sifting Fees					11	16
5. Remuneration to relatives of directors					80	76
B. Outstanding Balances at the year end.						
1. Amount Recoverable						
a) SJVN Arun-3 Power Development Company Pvt. Ltd.	2710	17693				
b) SJVN Thermal Pvt. Ltd.	180	1284				
2. Amount Recoverable						
a) Kholongchhu Hydro Energy Limited (KHEL)			117	112		

Terms and conditions of transactions with related parties

- Transactions with the related parties are made on normal commercial terms and conditions and at arm's length price.
- Consultancy services provided by the company to subsidiary company is generally on nomination basis.
- The Company is seconding its personnel to subsidiary and joint venture companies as per terms and conditions agreed between the companies, which are similar to those applicable for secondment of employees to other companies and institutions. The cost incurred by the Company towards superannuation and employee benefits are recovered from these companies.



- d) Outstanding balances of subsidiary and joint venture companies at the year-end are unsecured and settlement occurs through banking transaction. The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

ii) **Remuneration to Directors & Key Managerial Personnel** (₹ Lakh)

	Year ended 31.03.2021	Year ended 31.03.2020
(i) Short Term Employee Benefits	427	439
(ii) Post Employment Benefits	20	20
(iii) Other Long Term Employee Benefits	34	41
Total	481	500

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

Loans to/from Key Management Personnel (KMP) (₹ Lakh)

Particulars	Key Management Personnel (KMP)	
	31.03.2021	31.03.2020
Loan to KMPs		
Beginning of the Year	77	7
Loans advanced	25	76
Loan repayments received	12	8
Interest charged	5	3
Interest received	4	1
End of the year	91	77

Note: Amount recoverable from subsidiaries is ₹2890 Lakh (P.Y. ₹18977 Lakh). Recoverable from JV is ₹117 Lakh (P.Y. ₹112 Lakh). Loan from Key Management Personnel (KMP), their relatives & enterprise over which KMPs have significant influence is NIL (P.Y.: NIL)

iii) **Transaction with Trust created for Post employment Benefit plans/CSR of SJVN are as follows:-** (₹ Lakh)

Sr. No.	Name of the Trust	Nature of transaction	2020-21	2019-20
1	Nathpa Jhakri Power Corporation Ltd. Employees Provident Fund Trust	Contributions during the year	8241	8647
2	NJPC Ltd. Employee Gratuity Fund	Contributions during the year	919	651
3	SJVN Employees Defined Contribution Pension Fund.	Contributions during the year	2269	3133
4	Fund for SJVN PRMS	Contributions during the year	1108	175
5	SJVN Foundation Trust	Contributions during the year	5350	3619

iv) **Transaction with Government and the related parties under the control of the same government:** (₹ Lakh)

Sr. No.	Name of the Related party	Nature of transaction by the Company	2020-21	2019-20
A. Transactions during the year				
1	BHEL Ltd.	Purchase of spares / services	102	506
2	Indian Oil Corporation Ltd.	Purchase of fuel	52	129
3	POSOCO	RLDC Charges	99	194
4	BSNL	Services	101	61
5	Central Electronics Ltd.	Purchase of material / services	582	421
6	Himachal Tourism	Purchase of material / services	98	97
7	LIC	Insurance Policy	148	89
8	NBCC Ltd.	Purchase of material / services	495	186
9	EdCIL (India) Ltd.	Services	-	233
10	Other Entities	Purchase of material / services	1015	217
B. Outstanding Balances				
1. Advance Outstanding				
A	BHEL Ltd.	Central Public Sector Undertaking	-	77
B	BSNL	Central Public Sector Undertaking	2	8
C	Other Entities	Central & State Public Sector Undertakings	694	230
2. Amount Payable to				
A	BHEL Ltd.	Central Public Sector Undertaking	1548	1716
B	POSOCO	Central Public Sector Undertaking	8	8
C	BSNL	Central Public Sector Undertaking	34	13
D	Central Electronics Ltd	Central Public Sector Undertaking	7	421
E	Other Entities	Central & State Public Sector Undertakings	367	3



c) Individually significant transaction

		(₹ Lakh)	
Particulars	Nature of relationship	2020-21	2019-20
Equity Contributions Made			
SJVN Arun-3 Power Development Company Private Limited	Subsidiary company	68000	65231
SJVN Thermal Pvt. Ltd.	Subsidiary company	115000	56000
Kholongchhu Hydro Energy Ltd.	Joint Venture Company	2390	2924
Dividend Paid during the year			
Govt. Of India	Shareholder having control over company	54160	55654
Govt. Of Himachal Pradesh	Shareholder having control over company	24265	24793
Guarantee Fee on Foreign Currency Loans paid			
Govt. Of India	Shareholder having control over company	2161	2609
Land Acquisition			
Govt. Of Himachal Pradesh	Shareholder having control over company	9000	-

2.47 Disclosure as per Ind As 27 'Separate financial statements'

a) Investment in Subsidiary companies

The company's subsidiaries as at 31st March, 2021 are set out below. The equity share capital of these companies is held directly by the company. The country of incorporation or registration is also their principal place of business.

Name of entity	Principal Activities	Country of Incorporation	% Equity Interest	
			As at 31.03.2021	As at 31.03.2020
1. SJVN Arun-3 Power Development Company Pvt. Ltd	Generation/ Transmission of Power	Nepal	100%	100%
2. SJVN Thermal Pvt. Ltd	Generation of Power	India	100%	100%

b) Investment in joint venture companies

The company's interest in joint ventures as at 31st March, 2021 are set out below which in the opinion of the management, are material to the company. The entities listed below have share capital consisting solely of equity shares, which are held directly by the company. The country of incorporation or registration is also their principal place of business and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of Business	% of ownership interest	Relationship	Quoted Fair Value		Carrying amount	
				31 st March 2021	31 st March 2020	31 st March 2021	31 st March 2020
Kholongchhu Hydro Energy Limited	Bhutan	50	Joint Venture (1)	*	*	19043	16653
Cross Border Power Transmission Company Limited	India	26	Joint Venture (2)	*	*	1261	1261

* Unlisted entity- no quoted price available

- Equity investments in subsidiary and joint venture companies are measured at cost as per the provisions of Ind AS 27 on 'Separate financial statements'.
- The company has 50% interest in Kholongchhu Hydro Energy Limited, which is a joint venture with Druk Green Power Corporation Limited of Bhutan. The joint venture is involved in the construction and operation of Kholongchhu Hydro Power Project in Bhutan.
- The Company has 26% interest in Cross Border Power Transmission Company Limited. The company is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is principally engaged in establishment, operation & maintenance and transfer of Indian Portion of Indo-Nepal Cross Border Transmission Line from Muzaffarpur to Dhalkebar.

2.48 Disclosure as per Ind AS 33 'Earnings Per Share':-

Calculation of Earnings Per Share (Basic and Diluted) is as under:

	(₹ Lakh)	
	Year Ended 31.03.2021	Year Ended 31.03.2020
Net Profit after Tax but before Regulatory Income used as numerator (₹ Lakh)	136167	139820
Net Profit after Tax and Regulatory Income used as numerator (₹ Lakh)	163304	155743
Weighted Average number of equity shares used as denominator	3929795175	3929795175
Earnings per Share before Regulatory Income (₹)	3.46	3.56
- Basic & Diluted		
Earnings per Share after Regulatory Income (₹)	4.16	3.96
- Basic & Diluted		
Face value per share (₹)	10	10

2.49 Disclosure as per Ind AS 36 'Impairment of Assets'

In the opinion of the management there is no indication of any significant impairment of assets during the year as per Ind AS 36.



2.50 Disclosure as per Ind AS 37 “Provisions, Contingent Liabilities and Contingent Assets”

A. Movement in Provisions

As at March 31, 2021

(₹ Lakh)

Particulars	As at April 1, 2020	For the year			As at March 31, 2021
		Additions	Write Back/ Transfer	Utilisation	
Performance Related Pay	5493	6664	-	5493	6664
Corporate Social Responsibility	74	-	-	74	-
Interest on Arbitration Awards	14010	27049	-	-	41059
Others	891	-	-	-	891
Total	20468	33713	-	5567	48614

As at March 31, 2020

(₹ Lakh)

Particulars	As at April 1, 2019	For the year			As at March 31, 2020
		Additions	Write Back/ Transfer	Utilisation	
Performance Related Pay	5308	5493	-	5308	5493
Corporate Social Responsibility	-	74	-	-	74
Interest on Arbitration Awards	12749	1261	-	-	14010
Others	891	-	-	-	891
Total	18948	6828	-	5308	20468

a) Provision for Performance Related Pay

Short-term Provision has been recognised in the accounts towards Performance Related Pay/incentive to employees on the basis of management estimates as per company's rules in this regard which are based on the guidelines of the Department of Public Enterprises, Government of India

b) Provision for Interest on Arbitration Awards

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

c) Provision-Others

This includes mainly provision made towards expenditure on Local Area Development Authority in respect of Rampur Hydro Power Station.

d) In respect of provision for cases under litigation, outflow of economic benefits is dependent upon the final outcome of such cases.

e) In all these cases, outflow of economic benefits is expected within next one year.

B. Contingent Liabilities:-

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

(₹ Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Capital Works	53638	61516
Land Compensation	2506	2753
Disputed Income Tax Demand	1246	-
Others	20109	15000
Total	77499	79269

(i) Capital works

Contractors have lodged claims aggregating to ₹ 96852 Lakh (P.Y.: ₹ 62342 Lakh) against the Company on account of rate & quantity deviation, cost relating to extension of time and idling charges due to stoppage of work/delays in handing over the site etc. These claims are being contested by the company as being not admissible in terms of provisions of the respective contracts or are laying at arbitration tribunal/other forums/under examination with the Company.

(ii) Land Compensation cases

In respect of land acquired for the projects, some of the land oustees have filed claims for higher compensation amounting to ₹ 2506 Lakh (P.Y.: ₹ 2753 Lakh) before various authorities/courts. Company has shown the same as contingent liability as possibility of any outflow in settlement of these claims is considered as remote.

(iii) Disputed Income Tax Demand

During the year Income Tax Department has raised a demand of ₹ 1246 lakh (P.Y.: Nil) for A.Y 2018-19. The company is contesting the case & filed an appeal with CIT (Appeals).

(iv) Others

Other Contingent liability is mainly in respect of bills discounted with banks against trade receivables amounting to ₹ 20107 (P.Y.: ₹ 15000 lakh). In case of any claim on the Company from the banks in this regard, entire amount shall be recoverable from the beneficiaries along with surcharge.



The above is summarized as below:

(₹ Lakh)

Sl. No.	Particulars	Claims as on 31.03.2021	Provision against the claims	Contingent liability as on 31.03.2021	Addition of Contingent Liability for the period	Adjustment/Deduction in Contingent Liability for the period	Contingent liability as on 31.03.2020
1.	Capital Works	96852	43214	53638	8990	16868	61516
2.	Land Compensation	2506	-	2506	-	247	2753
3.	Income Tax Demand	1246	-	1246	1246	-	-
4.	Others	20109	-	20109	20109	15000	15000
	Total	120713	43214	77499	30345	32115	79269

- (b) The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where the amount cannot be quantified.
- (c) It is not practicable to ascertain and disclose the uncertainties relating to outflow in respect of contingent liabilities.
- (d) The company's management does not expect that the above claims/obligations (including under litigation), when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations or financial condition.

C. Detail of Contingent Assets:

(₹ Lakh)

Particulars	As on 31.03.2021	As on 31.03.2020
1) JHC		
Pertaining of demand of SJVN for recovery of cost in lieu of non returning of dewatering equipment.	43	43
2) Late Payment Surcharge due from beneficiaries	1705	60951
3) Counter Claim for Interest accrued on advance paid to JHC	-	10367
4) Revenue to the extent not recognised in respect of hydro power stations	34741	9934
5) Insurance claims	445	602
6) Compensation from contractors in respect of renewable power projects	12380	393
7) Interest Recoverable from Contractors	4668	3960
Total	53982	86250

- (a) CERC Tariff Regulations and PPA/MoU signed with power purchasers provide for levy of Late Payment Surcharge by generating company in case of delay in payment by beneficiaries beyond specified number of days from the date of presentation of bill. However, in view of significant uncertainties in the ultimate collection from some of the beneficiaries against partial bills as estimated by the management, an amount of ₹ 1705 lakh as on 31 March 2021 (P.Y.: ₹ 60951 lakh) has not been recognised.
- (b) The company has filed a truing up petition with CERC in respect of Nathpa Jhakri Hydro Power Station for the period 2014-19. Tariff orders for 2019-24 in respect of hydro power stations are also pending. The additional revenue likely to accrue on account of tariff revision which has not been recognised due to significant uncertainty of approval has been shown as contingent assets
- (c) Amount recoverable from contractors is on account of delay in execution of EPC contract in respect of Sadla wind power project. This also includes compensation for generation loss due to non achievement of design energy in respect of renewable power projects.
- (d) Interest recoverable from contractors is on account of the principal amount of the claim filed by the company before the Hon'ble High Court of Himachal Pradesh against contractors of Rampur Hydro Power Station in respect of hydro allowance.

D. Commitments

a) Estimated amount of Capital and other commitments not provided for is as under:

(₹ Lakh)

Particulars	As on 31.03.2021	As on 31.03.2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	143547	49104
Other commitments (on account of Repair & Maintenance and Supply of Material etc)	7005	12582
Total	150552	61686

- (b) The Company has commitments of ₹ 100487 Lakh (P.Y. ₹ 283487 Lakh) towards further investment in the subsidiary companies as at 31 March 2021.
- (c) The Company has commitments of ₹ 40957 Lakh (P.Y. ₹ 43347 Lakh) towards further investment in the joint venture entities as at 31 March 2021.
- (d) Company's commitment in respect of lease agreements has been disclosed in Note no. 2.54.

2.51 Disclosure as per Ind AS 108 'Operating Segments'

- (a) Operating Segments are defined as components of an enterprise for which financial information is available that is evaluated regularly by the Management in deciding how to allocate resources and assessing performance.
- (b) Electricity generation is the principal business activity of the Company. Other operations viz., Contracts, Project Management and Consultancy works do not form a reportable segment as per the Ind AS – 108 on 'Segment Reporting'.
- (c) The Company is having a single geographical segment as all its Power Stations are located within the Country.



d) Information about major customers:

(₹ Lakh)

Sr. No.	Name of Customer	Revenue from Customers (₹ Lakh)		Revenue from customer as a % of total revenue from sales	
		F.Y. 2020-21	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2019-20
1	Govt. of H.P.	64151	71017	25.75	26.23
2	PDD, J&K	32455	30377	13.03	11.22
3	U.P. Power Corporation	46254	52841	18.57	19.52
4	Punjab State Power Corporation Ltd	22891	25310	9.19	9.35
Total		165751	179545	66.54	66.32

e) Revenue from External Customers: The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown below :

(₹ Lakh)

Sr.No	Revenue from External Customers	F.Y. 2020-21	F.Y. 2019-20
1	Nepal (Consultancy)	544	481
Total		544	481

2.52 Disclosure relating to creation of Regulatory Deferral Accounts as per Ind AS 114:

- The company is mainly engaged in generation and sale of electricity. The price to be charged by the company for electricity sold to its customers is determined by the CERC which provides extensive guidance on the principles and methodologies for determination of the tariff for the purpose of sale of electricity. The tariff is based on allowable costs like interest, depreciation, operation & maintenance expenses, etc. with a stipulated return. This form of rate regulation is known as cost-of-service regulations which provide the Company to recover its costs of providing the goods or services plus a fair return.
- As per the CERC Tariff regulations any gain or loss on account of exchange rate variation during the construction period shall form part of the capital cost till the declaration of commercial operation date. Exchange differences arising from settlement/translation of monetary item denominated in foreign currency to the extent recoverable from or payable to beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized on an undiscounted basis as regulatory deferral account debit/credit balance by credit/debit to movements in regulatory deferral account balances and adjusted from the year in which the same becomes recoverable from or payable to the beneficiaries.
- Pay revision of employees of CPSUs has revised from 1st January, 2017. CERC Tariff regulations 2014-19 provides that the impact of actual increase in employee cost on account of wage revision of operational power stations is recoverable from beneficiaries in future through Tariff. Accordingly, additional expenditure on employee benefit due to pay revision to the extent charged to the Statement of Profit & Loss or to the Other Comprehensive Income and recoverable from beneficiaries in subsequent periods as per Tariff Regulations are being recognized as Regulatory Deferral Account Balances.
- During the year, company has received an arbitration award pertaining to Nathpa Jhakri Hydro Power Station (NJHPS). Accordingly the principal amount of award including interest during construction period has been capitalized and interest thereafter has been charged to the statement of profit and loss. The interest charged to profit & loss account has been included in regulatory deferral account debit balance as the same is recoverable from beneficiaries through tariff in future. The company has filed an appeal before the Hon'ble High Court of Delhi against the award.
- Risks associated with future recovery/reversal of regulatory deferral account balances:
 - Demand risk due to changes in consumer attitudes, the availability of alternative sources of supply.
 - Regulatory risk on account of changes in regulations and submission or approval of rate-setting application or the entity's assessment of the expected future regulatory actions.
 - Other market risks, if any.

The company has created regulatory assets and recognized corresponding regulatory income up to period ended 31.03.2021 as under:

(₹ Lakh)

Regulatory asset created in relation to:	Up to FY 2019-20	For the year ended 31.03.2021	Total up to 31.03.2021
Exchange rate variation regarded as Borrowing Costs	33828	(8677)	25151
Employee Benefit expense (Pay- revision w.e.f 01.01.2017)	19459	4313	23772
Interest on arbitration award	-	25782	25782
O&M / Security Expenses recoverable in tariff	-	11465	11465
Total	53287	32883	86170

The Company expects to recover the carrying amount of regulatory deferral account debit balance over the life of the projects.

2.53 Disclosure as per Ind AS 115, "Revenue from contract with customers"

I. Nature of goods and services

The revenue of the Company comprises of income from energy sales and consultancy services. The following is a description of the principal activities:

a) Revenue from energy sales

The major revenue of the Company comes from energy sales. The Company sells electricity to bulk customers, mainly electricity utilities owned



by State Governments as well as private discoms operating in States. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiaries.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for energy sales:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Energy Sales	The Company recognises revenue from energy sales once the electricity has been transmitted to the customers and control over the product is transferred. The tariff for computing revenue from energy sales is determined in terms of CERC Regulations as notified from time to time. The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

b) Consultancy Services

The Company undertakes consultancy for domestic and international clients in the different phases of power plants viz. Engineering, construction management, management consultancy etc.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for consultancy services:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Consultancy services	The Company recognises revenue from consultancy services in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to actual progress/ technical assessment of work executed, in line with the terms of respective consultancy contracts. The amounts are billed as per the terms of contracts and are payable within contractually agreed credit period.

II. Disaggregation of revenue

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

Particulars	Generation of energy For the year ended		Consultancy For the year ended		Total For the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Geographical markets						
India	244807	241979	-	641	244807	242620
Others	-	-	544	481	544	481
	244807	241979	544	1122	245351	243101
Timing of revenue recognition						
On transfer of ownership and control of Products and services	244807	241979	544	1122	245351	243101
	244807	241979	544	1122	245351	243101

III. Reconciliation of revenue recognised with contract price:

(₹ Lakh)

Particulars	As at 31 March 2021
Contract price	242205
Adjustments for:	
Regulated Power Adjustment-Margin	(76)
Regulated Power Adjustment – Expenses	(16)
Advance Against Depreciation	3224
Rebates	(530)
Revenue recognised	244807

IV. Contract balances

Contract assets are recognised when there is excess of revenue recognised over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers which are referred as “advances from customers”.

The following table provides information about trade receivables, unbilled revenue, amount receivable for late payment surcharge and advances from customers: (₹ Lakh)

Particulars	As at 31 March 2021		As at 1 April 2020	
	Current	Non-current	Current	Non-current
Trade receivables	52299	-	74544	-
Unbilled revenue	25321	-	14769	-
Amount receivable for late payment surcharge	33179	-	-	-
Advances from customers	3695	-	44	-

V. Transaction price allocated to the remaining performance obligations

Performance obligations related to sale of energy:

Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations, where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff



Regulations. Revenue from sale of energy is recognised once the electricity has been delivered to the beneficiaries. Beneficiaries are billed on a periodic and regular basis. Therefore, transaction price to be allocated to remaining performance obligations cannot be determined reliably for the entire duration of the contract.

Performance obligations related to Consultancy:

For consultancy, transaction price for remaining performance obligations amounts to ₹ 2288 Lakh (P.Y. ₹ 2744 Lakh) which shall be received over the contract period in proportion of the services provided by the Company.

VI. Practical expedients applied as per Ind AS 115:

- a) The company has not disclosed information about remaining performance obligations that have original expected duration of one year or less and where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.
- b) The company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the company has not adjusted any of the transaction prices for the time value of money.

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

2.54 Disclosures as per Ind AS 116 'Leases'

1. The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. On the date of initial application, the lease liability has been measured at the present value of the remaining lease payments and right of use assets has been recognised at an amount equal to the lease liabilities.

2. Practical expedients applied as per Ind AS 116

- a) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- b) Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- c) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

3. The incremental borrowing rate has been applied to discount the lease liabilities.

4. The details of the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis are as follows:

Particulars	(₹ Lakh)	
	As on 31.03.2021	As on 31.03.2020
Less than one year	1009	1058
One to five years	887	1298
More than five years	213	54
Total	2109	2410

5. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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

		(₹ Lakh)	
(A)	Expenditure in foreign currency	Year ended 31.03.2021	Year ended 31.03.2020
i)	Consultancy	-	-
ii)	Financing Charges (ECBs)	-	-
iii)	Interest on External Commercial Borrowings (ECBs)	-	-
iv)	Interest on World Bank Loan.	1753	5272
v)	Dividend Paid	-	-
vi)	Other Miscellaneous Matters	2678	1922
(B)	Earnings in foreign currency	-	
(C)	Value of Import calculated on CIF basis		
i)	Capital Goods	2575	1625
ii)	Spare Parts	63	293
(D)	Value of components, stores and spare parts consumed		
i)	Imported	1383	137
		(74.10%)	(10.67%)
ii)	Indigenous	483	1147
		(25.90%)	(89.33)

2.56 Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

A. Loans and advances in the nature of loans:

- 1. To Subsidiary Companies –



(₹ Lakh)

Name of the Company	Outstanding balance as at		Maximum amount outstanding during the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	SJVN Arun-3 Power Development Company Pvt. Ltd	2710	17693	17693
SJVN Thermal Pvt. Ltd.	180	1284	1284	18208

2. To Joint Venture Companies

(₹ Lakh)

Name of the Company	Outstanding balance as at		Maximum amount outstanding during the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	Kholongchhu Hydro Energy Ltd	117	112	117

3. To Firms/companies in which directors are interested : Nil (P.Y.: Nil)

B. Investment by the loanee (as detailed above) in shares of SJVN : Nil

2.57 The Company has a system of obtaining periodic confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of bank accounts and borrowings from banks & financial institutions. With regard to receivables for energy sales, the Company sends demand intimations to the beneficiaries with details of amount paid and balance outstanding which can be said to be automatically confirmed on receipt of subsequent payment from such beneficiaries. In addition, reconciliation with beneficiaries and other customers is generally done on quarterly basis. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters/emails with the negative assertion as referred in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent to the parties. Some of such balances are subject to confirmation/reconciliation. Adjustments, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.

2.58 Information in respect of micro and small enterprises as at 31st March 2021 as required by Micro, Small and Medium Enterprises Development Act, 2006.

(₹ Lakh)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
a) Amount remaining unpaid to any supplier:		
Principal amount	1029	1013
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.		-

2.59 Quantitative details in respect of energy generated & sold :

a) Hydro Power:-

Sr. No.	Particulars	Year ended 31.03.2021	Year ended 31.03.2020
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	1912	1912
iii)	Actual Generation (Million Units)	9094.26	9543.46

b) Wind/Solar Power:-

Sr. No.	Particulars	Year ended 31.03.2021	Year ended 31.03.2020
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	102.60	102.60
iii)	Actual Generation (Million Units)	129.23	134.69

2.60 Payment to Auditors includes:

(₹ Lakh)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
As Auditors		
- Statutory Audit	16	11
- Tax Audit	4	3
- Limited Review	10	8
For other services (Certificates etc.)	4	5
Reimbursement of Expenses	2	7
Reimbursement of GST	6	3
Total	42*	37

* Includes amount of ₹ 7 lakh pertaining to previous year.



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

(₹ Lakh)

Particulars	Currency	As at 31.03.2021	As at 31.03.2020
Borrowings, including Interest Accrued but not due thereon.	USD	169486	195737

2.62 Disclosure related to Corporate Social Responsibility (CSR)

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 ₹ 3600 lakh [(2% of Average Profit Before Tax of immediately previous three years (P.Y ₹ 3543 lakh, 2% of Average Profit Before Tax of immediately previous three years)] to be spent on CSR during the year. The company has paid an amount of ₹ 5350 lakh (P.Y: ₹ 3619 lakh) to the CSR trust formed to manage the CSR activities which has been booked to CSR expenses as per Accounting Policy .

a) Break-up of CSR expenditures incurred as intimated by CSR Trust under various heads is as below.

(₹ Lakh)

Sr. No.	Activities	As at 31 st March, 2021	As at 31 st March, 2020
1	Health and hygiene	771	1089
2	Education and Skill Development	382	1443
3	Promotion of Gender Equality, Empowering women etc	23	37
4	Sustainable Development	70	162
5	Protection of national heritage, art and culture etc	351	-
6	Benefits of armed forces veterans ,war widows and their dependants	3	-
7	Preservation and promotion of culture, Melas, Sports etc.	18	251
8	Contribution to PM Cares fund or any other fund set up by the Central Govt. for socio economic development etc.	2000	-
9	Contribution to incubators or research and development projects	40	-
10	Infrastructural Development and Community Development	522	529
11	Slum Area Development	5	-
12	Assistance to the victims of natural disasters/ calamities	682	100
13	Miscellaneous CSR activities& Administrative Exp.	419	24
Total		5286	3635

b) (i) Amount spent during the year ended 31st March 2021.

(₹ Lakh)

Particulars	In cash	Yet to be paid in cash	Amount
a) Construction/Acquisition of any Asset	1509	21	1530
b) On Purpose other than (a) above	3525	231	3756

(ii) Amount spent during the year ended 31st March 2020.

(₹ Lakh)

Particulars	In cash	Yet to be paid in cash	Amount
a) Construction/Acquisition of any Asset	1758	158	1916
b) On Purpose other than (a) above	1573	146	1719

2.63 The Company is mainly engaged in the business of generation of electricity and the tariffs for the power generation are regulated in terms of the CERC Tariff Regulations. Due to the various steps taken by the Company, there has been no significant impact of the pandemic on the generation of electricity / construction activities undertaken by the Company.


In line with the directions of GOI, the Company has given a one-time rebate of ₹ 5782 lakh to the DISCOMs and Power Departments of States/ Union Territories. Accordingly rebate amounting to ₹ 5173 lakh (P.Y.: ₹ 609 lakh) has been recognised as an exceptional item

Based on assessment of the management, no material impact of COVID-19 on the financial performance inter alia including the carrying value of various current and non-current assets or on the going concern assumptions of the company is expected to arise. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic conditions and the same will be taken into consideration on materialisation.

2.64 Board of Directors have authorised Director (Finance) and Company Secretary to rectify the errors and carry out modifications, if any.

For and on behalf of the Board of Directors

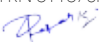

(Soumendras Das)
Company Secretary
FCS-4833


(Akhileshwar Singh)
Director(Finance) cum CFO
DIN:08627576


(Nand Lal Sharma)
Chairman & Managing Director
DIN:03495554

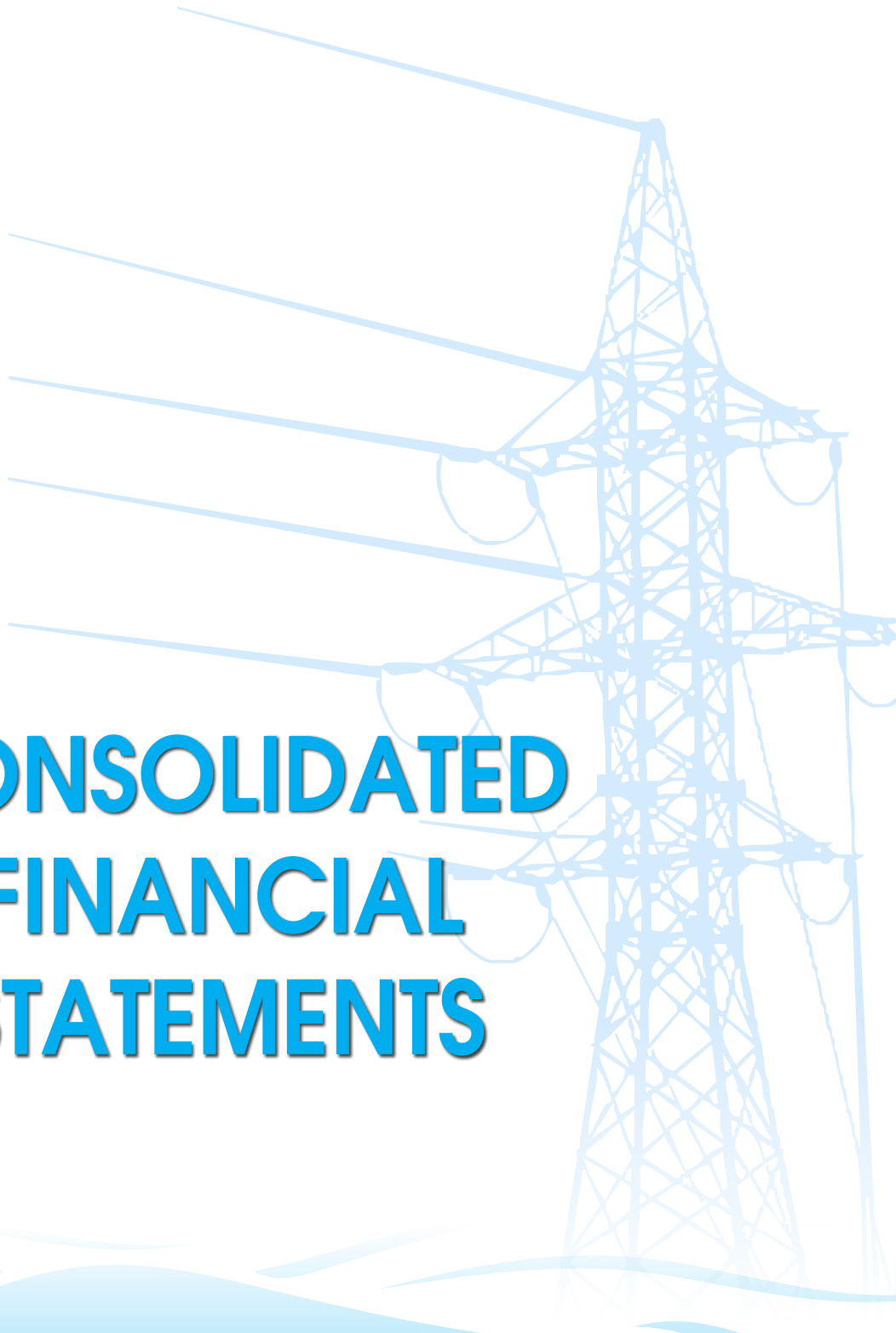
These are the notes referred to in Balance Sheet and Statement of Profit and Loss.

For A P R A & Associates LLP
Chartered Accountants
FRN-011078N/N500064


(Deepak Kataria)
Partner
M.No. 504395
UDIN-21504395AAAADM5715

Place: Shimla / New Delhi
Date : June 26, 2021





CONSOLIDATED FINANCIAL STATEMENTS



INDEPENDENT AUDITOR'S REPORT

To The Members of SJVN LIMITED

Report on the Audit of Consolidated Financial Statements

Opinion

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, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity 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")

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 including the Ind AS, of the consolidated state of affairs (financial position) of the Group and jointly controlled entities as at 31st March, 2021, its consolidated profit/loss (financial performance including other comprehensive income), its consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports as referred to in sub-paragraph (a) of the 'Other Matters' paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the following matters in the Notes to the consolidated financial statements:

- a) Note No. 2.32 and 2.55 (V) to the consolidated financial statements in respect of billing and accounting of sales on the basis of provisionally approved tariff.
- b) Note No. 2.65 to the consolidated financial statements which describes the assessment of the impact of Covid-19 pandemic by the management on the business and its associated financial risks.
- c) Note No. 2.59 to the standalone financial statements regarding certain balances which are subject to reconciliation/ confirmation and consequential adjustments.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. The below mentioned key audit matters pertains to Holding Company, as the

other auditor of the component whose report is furnished to us by the management have not given any key audit matter in his report.

Sr. No.	Key Audit Matter	How our audit addressed the key audit matter
1	<p>Contingent Liabilities and Provisions</p> <p>There are a number of litigations pending before various forums against the Group and the management's judgement is required for estimating the amount to be disclosed as contingent liability and for creating the adequate amount of provision, wherever required.</p> <p>We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgment in interpreting the cases and it may be subject to management bias.</p> <p>(Refer Note No. 2.40 to the Consolidated Financial Statements, read with the Accounting Policy No.1.17)</p>	<p>We have obtained an understanding of the Group's internal instructions and procedures in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures:</p> <ul style="list-style-type: none"> - understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases; - discussed with the management any material developments and latest status of legal matters; - examined management's judgements and assessments whether provisions are required; - considered the management assessments of those matters that are not disclosed as the probability of material outflow is considered to be remote; - reviewed the adequacy and completeness of disclosures; <p>Based on the above procedures performed, the estimation and disclosures of contingent liabilities and creation of provisions are considered to be adequate and reasonable.</p>
2	<p>Property, Plant & Equipment</p> <p>There are areas where management judgement impacts the carrying value of property plant and equipment and their respective depreciation rates. These include the decision to capitalise or expense costs; the annual asset life review; the timeliness of the capitalisation of assets and the use of management assumptions and estimates for the determination or the measurement and recognition criteria for assets retired from active use. Due to the materiality in the context of the balance sheet of the Group and the level of judgement and estimates required, we consider this to be as area of significance.</p> <p>(Refer Note No. 2.1 to the Consolidated Financial Statements, read with the Significant Accounting Policy No. 1.4)</p>	<p>We assessed the controls in place over the fixed asset cycle, evaluated the appropriateness of capitalisation process Performed tests of details on costs capitalised, the timeliness and accuracy of the capitalisation of the assets and the de-recognition criteria for assets retired from active use.</p> <p>In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of asset lives applied in the calculation of depreciation; the useful lives of assets prescribed in schedule II of the Companies Act, 2013 and the useful lives of certain assets as per the technical assessment of the management.</p> <p>We have observed that the management has regularly reviewed the aforesaid judgements and there are no material deficiencies in measurement and recognition of property, plant and equipment.</p>



3	<p>Capital work-in-progress (CWIP)</p> <p>The Group is involved in various capital works like construction of new power projects, installation of new plant and machinery, civil works etc. These projects/works take a substantial period of time to get ready for intended use and due to their materiality in the context of the balance sheet of the Group, this is considered to be an area which had the significant effect on the overall audit strategy and allocation of resources in planning and completing our audit.</p> <p>(Refer Note No. 2.2 to the Consolidated Financial Statements, read with the Significant Accounting Policy No. 1.5)</p>	<p>We performed an understanding and evaluation of the system of internal control over the capital work-in-progress, with reference to identification and testing of key controls.</p> <p>We assessed the progress of the project and the intention and ability of the management to carry forward and bring the asset to its state of intended use.</p> <p>We assessed the timeliness and accuracy of capitalisation of assets when it is ready for the intended use.</p>
4	<p>Deferred Tax Assets relating to MAT credit entitlement:</p> <p>The group has recognised deferred tax asset relating to MAT credit entitlement during the year. Utilization of MAT credit will result in lower outflow of Income Tax in future years. The recoverability of this deferred tax asset relating to MAT credit entitlement is dependent upon the generation of sufficient future taxable profits to utilise such entitlement within the stipulated period prescribed under the Income Tax Act, 1961.</p> <p>We identified this as a key audit matter due use of management estimate in forecasting future taxable profits for recognition of MAT credit entitlement considering the recoverability of such tax credits within allowed time frame as per provisions of the Income Tax Act 1961 (refer note no. 2.44).</p>	<p>We have obtained an information/reasons for recognition of deferred tax asset relating to MAT credit entitlement. We have reviewed the estimate of the management regarding future taxable profits and reasonableness of the consideration/assumptions used for the same.</p> <p>Based on the above procedure performed, the recognition and measurement of Deferred tax asset relating to MAT credit entitlement are considered adequate and reasonable.</p>

Other Matters

(a) (i) We did not audit the financial statements/financial information of the following subsidiary whose financial statements/financial information reflect the details given below of total assets as at 31st March 2021, total revenues and net cash flows for the year ended on that date to the extent to which they are reflected in consolidated financial statements.

(₹ Lakh)

Name of the Company	Assets	Revenues	Net Cash flows
Subsidiaries:			
SJVN Thermal Private Limited	260597	208	(1625)

These financial statements /financial information have been audited by other auditor whose report has 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 subsections (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on the report of the other auditor.

(b) (i) We did not audit the financial statements/financial information of the following subsidiaries whose financial statements/financial information reflect the details given below of assets as at 31st March 2021, 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
SJVN Arun-III Power Development Company Private Limited	169864	1578	(15735)

(ii) We did not audit the financial statements/financial information of the following jointly controlled companies whose financial statements/financial information reflect the group's share of net profit including other comprehensive income for the year ended 31st March 2021 to the extent to which they are reflected in the consolidated financial statements.

(₹ Lakh)

Name of the Company	Group's share in net profit	Group's share in net other comprehensive income	Group share Total
Cross Border Power Transmission Company Limited	383	-	383
Kholongchhu Hydro Energy Limited	-	-	-

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 its relates to the aforesaid subsidiary and jointly controlled companies, 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.

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

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexures, Management Discussion and Analysis, Business Responsibility Report, Report on Corporate Governance, Shareholders Information and other information in integrated Annual Report thereon but does not include the consolidated financial statements and our auditor's report.

The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

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



If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its Associates 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. The respective Board of Directors of the companies included in the Group and of its associates and 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; 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 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.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the ability of the Group and of its associates and jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit

in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Group and its associates and jointly controlled entities has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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



Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries and joint ventures as noted in 'Other Matters' paragraph, we report, to the extent applicable, that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to 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.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
 - d) In our opinion, the aforesaid Consolidated Financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act read with the relevant rules issued there under.
 - e) In view of the exemptions given vide Notification No. G.S.R. 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, the provisions of Section 164 (2) of the Companies Act, 2013 regarding disqualification of directors, are not applicable to the Holding company and its subsidiaries.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to the separate Report in "Annexure A".
 - g) As per Notification No. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section

197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the Holding company and its subsidiaries.

- h) 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities- Refer Note No. 2.40 to the consolidated financial statements.
 - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies, associate companies and jointly controlled companies incorporated in India.

For A P R A & Associates LLP
Chartered Accountants
FRN - 011078N / N500064



(CA. Deepak Kataria)

Partner

M. No. 504395

UDIN- 21504395AAAADL7276

Date: 26th June 2021

Place: Gurugram/Shimla

"ANNEXURE- A" TO THE AUDITOR'S REPORT

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

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act") for the year ended 31st March, 2021.

Opinion

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of SJVN Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies and jointly controlled companies, which are companies incorporated in India, as of that date.

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiaries and joint ventures, which are companies incorporated in India, has in all material respect, an adequate internal financial controls systems over financial

reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company Considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. However, there are following issues in Internal Financial Control:

- (i) *During the year, an amount of Rs. 2,23,58,744 /- has been charged to contractor of Sadla Wind Power Project for compensation on account of performance deficiency without GST. In our opinion GST is applicable in this transaction.*
- (ii) *Presently the Investment in TDRs/FDRs by Organization is done based on email/fax received from various FI/Banks. To inculcate the accountability in system, good number of organizations has moved from Manual to E-Bidding, Reverse Bidding process, which not only fetch better rate of interest but also brings transparency in system.*



(iii) It has been 2 years of implementation of SAP in SJVN. But, still there are few areas where calculations are carried out manually (just like calculation of PRP, accounting for Rebate, LPS etc. We believe this should be rooted through SAP in order to increase reliability on the same.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, insofar as it relates to one subsidiary incorporated in India, is based on the corresponding reports of the auditor of such company incorporated in India.

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements in so far as it relates to two joint ventures incorporated in India and one subsidiary incorporated outside India, whose financial statements / financial information are unaudited and our opinion on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Group, as explained by the management, is not affected as the Group's share of net profit/loss (including Other Comprehensive Income) and disclosures included in respect of these joint ventures in these Consolidated Financial Statements are not material to the Group.

Our report is not modified in respect of the above matters.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries, and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the Internal Control over financial reporting criteria established by the Company considering the essential components of Internal control stated in the Guidance Note on Audit of the Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate Internal Financial Controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with Guidance note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standard on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we Comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal financial controls system over financial reporting and their operating effectiveness, our audit of internal financial controls over financial reporting included obtaining and understanding of

internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiaries and joint ventures, incorporated in India, in terms of their reports referred to in the 'Other Matters' paragraph above, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and disposition of the assets of the company;(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For A P R A & Associates LLP

Chartered Accountants

FRN - 011078N / N500064



(CA. Deepak Kataria)

Partner

M. No. 504395

UDIN- 21504395AAAADL7276

Date: 26th June 2021

Place: Gurugram/Shimla



MANAGEMENT'S REPLY ON STATUTORY AUDITORS' OBSERVATIONS ON INTERNAL FINANCIAL CONTROL-ANNEXURE-A TO THE AUDITORS' REPORT. (CONSOLIDATED FINANCIAL STATEMENTS)

Auditors' Observations	Management's Reply
(i) During the year, an amount of Rs. 2,23,58,744/- has been charged to contractor of Sadla Wind Power Project for compensation on account of performance deficiency without GST. In our opinion GST is applicable in this transaction.	Amount charged from the contractor was on account of compensation of performance deficiency in the generation of power. Since this income is in the nature of revenue from power, GST is not applicable. GST Consultant also opined that GST is not applicable in this case.
(ii) It has been 2 years of implementation of SAP in SJVN. But, still there are few areas. Where calculations are carried out manually (just like calculation of PRP, accounting of Rebate, LPS etc.). We believe this should be rooted through SAP in order to increase reliability on the same.	The process for calculation of PRP, Rebate and LPS through SAP is in progress and will be implemented during the current financial year.
(iii) Presently the Investment in TDRs/FDRs by Organization is done based on email/fax received from various FI/Banks. To inculcate the accountability in system, good number of organizations has moved from Manual to E-Bidding, Reverse Bidding process, which not only fetch better rate of interest but also brings transparency in system.	E-bidding process for investment in TDRs/FDRs has already been implemented during the current financial year after security audit. However the rate of interest received after implementation of E-bidding process are same.



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 2021

The preparation of consolidated financial statements of SJVN Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under sections 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 26 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of SJVN Limited for the year ended 31 March 2021 under section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of SJVN Limited, but did not conduct supplementary audit of the financial statements of Companies mentioned in Annexure A for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to SJVN Arun-3 Power Development Company Pvt. Ltd. and Kholongchhu Hydro Energy Limited being entity incorporated in foreign country under the respective laws, for appointment of their Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143(6)(b) of the Act.

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



(D.K. Sekar)

Director General of Audit (Energy),
Delhi

Place: New Delhi

Dated: 13.08.2021

Annexure-A

Name of the company/subsidiary/JV/Associat companies of which supplementary audit has not been conducted by the Comptroller and Auditor General of India

Sl. No.	Name of the Joint Venture/Subsidiary	Type of the Company
1.	SJVN Thermal Private Limited	Subsidiary
2.	Cross Border Power Transmission Company Limited	Associate



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

(₹ Lakh)

	Note No.	As at March 31, 2021	As at March 31, 2020	As at April 1, 2019
ASSETS				
Non - current assets				
Property, plant and equipment	2.1	797917	804970	814015
Capital work-in-progress	2.2	429338	223321	128638
Intangible Assets	2.3	2786	145	178
Intangible assets under development	2.4	489	3187	1692
Investments accounted for using the equity method	2.5	22021	19512	16030
Financial Assets				
Investments	2.6	175	-	-
Loans	2.7	8297	6829	4675
Others	2.8	3877	-	-
Deferred tax assets (net)	2.9	62272	78463	67411
Other non-current assets	2.10	54119	45459	36773
Total non-current assets		1381291	1181886	1069412
Current assets				
Inventories	2.11	5615	4951	4490
Financial assets				
Trade receivables	2.12	52191	74446	27657
Cash and cash equivalents	2.13	9777	31250	3908
Bank balance other than cash and cash equivalents	2.14	120817	202288	292786
Loans	2.15	2171	1862	1606
Others	2.16	71703	31284	86403
Other current assets	2.17	17583	14253	13672
Total current assets		279857	360334	430522
Regulatory deferral account debit balance	2.18	86170	53287	33993
TOTAL ASSETS		1747318	1595507	1533927
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	2.19	392980	392980	392980
Other Equity	2.20	886138	812128	768206
Total Equity		1279118	1205108	1161186
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	2.21	185568	197219	194046
Lease liabilities	2.22	971	1337	-
Others	2.23	10290	1	12
Provisions	2.24	15758	14649	6986
Other non-current liabilities	2.25	75199	78464	81727
Total non-current liabilities		287786	291670	282771
Current liabilities				
Financial liabilities				
Borrowings	2.26	5218	-	-
Lease liabilities	2.27	906	1114	-
Trade payables				
Total outstanding dues of micro and small enterprises	2.28	642	686	579
Total outstanding dues of creditors other than micro and small enterprises	2.28	3889	3305	1861
Others	2.29	110466	66532	62840
Other current liabilities	2.30	8887	4892	4045
Provisions	2.31	50406	22200	20645
Total current liabilities		180414	98729	89970
TOTAL EQUITY AND LIABILITIES		1747318	1595507	1533927

Note: The figures as at 31st March 2020 and 1st April 2019 as given above are restated (Note No. 2.43)
The accompanying notes from 2.1 to 2.67 form an integral part of the financial statements.

For and on behalf of the Board of Directors


(Soumendra Das)
Company Secretary
FCS-4833


(Akhileshwar Singh)
Director(Finance) cum CFO
DIN:08627576


(Nand Lal Sharma)
Chairman & Managing Director
DIN:03495554

This is the Consolidated Balance Sheet referred to in our report of even date

For A P R A & Associates LLP
Chartered Accountants
FRN-011078N/N500064


(Deepak Kataria)
Partner

M.No. 504395
UDIN-21504395AAAAADL7276
Place: Shimla / New Delhi
Date : June 26, 2021



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021


(₹ Lakh)

	Note No.	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Income			
Revenue from Operations	2.32	248539	270280
Other Income	2.33	73745	40071
Total Income		322284	310351
Expenses			
Employee Benefits Expense	2.34	31722	30841
Finance Costs	2.35	(285)	26807
Depreciation and Amortization Expense	2.36	39327	38409
Other Expenses	2.37	36929	36387
Total Expenses		107693	132444
Profit/ (Loss) before exceptional items and tax		214591	177907
Exceptional Items	2.38	29344	609
Profit before share in net profit of joint venture/ associates, net movement in regulatory deferral account balance and tax		185247	177298
Share in Profit of Joint Venture / Associates		383	558
Profit before net movement in regulatory deferral account balance and tax	2.39	185630	177856
Net movement in regulatory deferral account balance		32883	19294
Profit Before Tax		218513	197150
Tax Expenses:			
- Current Tax		37757	34328
-Adjustments relating to earlier years	2.9	4	17198
- Deferred Tax		16191	(11052)
Profit (Loss) for the period		164561	156676
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
-Remeasurement of the net defined benefit liability/asset		(255)	(2183)
-Income tax on above item		89	763
Total		(166)	(1420)
Total Comprehensive Income for the period		164395	155256
Profit Attributable to:			
Equity holders of the parent		164561	156676
Non Controlling Interests		-	-
		164561	156676
Total Comprehensive Income Attributable to:			
Equity holders of the parent		164395	155256
Non Controlling Interests		-	-
Earnings Per Equity Share (excluding net movement in regulatory deferral account balance)		164395	155256
Basic and Diluted (₹)		3.50	3.58
Earnings Per Equity Share (including net movement in regulatory deferral account balance)			
Basic and Diluted (₹)		4.19	3.99
Weighted average equity shares used in computing earnings per equity share		3929795175	3929795175

Note: The figures for the year ended 31st march 2020 as given above are restated (Note no. 2.43)
The accompanying notes from 2.1 to 2.67 form an integral part of the financial statements.

For and on behalf of the Board of Directors


(Soumendras Das)
Company Secretary
FCS-4833


(Akhileshwar Singh)
Director(Finance) cum CFO
DIN:08627576


(Nand Lal Sharma)
Chairman & Managing Director
DIN:03495554

This is the Consolidated Statement of Profit & Loss referred to in our report of even date.

For A P R A & Associates LLP

Chartered Accountants
FRN-011078N/N500064


(Deepak Kataria)
Partner
M.No. 504395
UDIN-21504395AAAADL7276

Place: Shimla / New Delhi

Date : June 26,2021



CONSOLIDATED STATEMENT OF CASH FLOWS

For the Year Ended March 31, 2021

(₹ Lakh)

		For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Cash flow from operating activities			
Profit before tax		218513	197150
Adjustment for:			
Depreciation and amortization	39327		38409
Interest on term deposits/ interest from contractors	(13131)		(21795)
Share in Profit of Joint Venture	(383)		(558)
Finance cost	(285)		26807
Loss on disposal/ write off of fixed assets	2257		569
Profit on sale of fixed assets	(1)		(97)
		27784	43335
Adjustment for assets and liabilities			
Inventories	(664)		(461)
Trade receivable and unbilled revenue	11696		1509
Loans, other financial assets and other assets	(40653)		(9291)
Trade payable	269		1551
Other financial liabilities and other liabilities	15072		1630
Regulatory deferral account debit balance	(32883)		(19294)
Provisions	29243		1915
		<u>(17920)</u>	<u>(22441)</u>
Cash generated from operating activities		228377	218044
Income tax paid		(30112)	(46690)
Net cash generated by operating activities		198265	171354
Cash flow from investing activities:			
Net expenditure on Property, Plant & Equipment and CWIP including advances for capital works	(206572)		(126868)
Term deposits with bank (having maturity more than three months)	77375		91979
Interest on term deposits	17036		28218
Dividend from Joint Venture companies	265		126
Investment in joint venture companies	(2390)		(2924)
Investment in other companies	(175)		-
			<u>-</u>
Net cash used in investing activities		(114461)	(9469)
Cash flow from financing activities:			
Repayment of borrowings	(23874)		(21864)
Proceed from borrowings	18301		10599
Payment of lease liabilities	(574)		(1416)
Interest and finance charges	(13979)		(10679)
Dividend Paid	(90369)		(92200)
Tax on Dividend	-		(18983)
			<u>-</u>
Cash used in financing activities		(110495)	(134543)
Net increase in cash and cash equivalents		(26691)	27342
Opening balance of cash & cash equivalents (refer note 1 and 2 below)		31250	3908
Closing balance of cash & cash equivalents (refer note 1 and 2 below)		4559	31250
Restricted cash balance			
Earmarked Balance (Unpaid Dividend)		282	266
Margin Money for BG/ Letter of Credit and Pledged deposits		35514	10762
Total		35796	11028

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

1. Cash and Cash equivalents consist of cheques/drafts in hand, Bank Balances including Short Term Deposits having original maturity upto three months and bank overdraft.

2. Reconciliation of Cash and Cash Equivalents:

(₹ Lakh)

	As at March 31, 2021	As at March 31, 2020
Cash and Cash equivalents as per note no. 2.13	9777	31250
Bank overdraft as per note no. 2.26	(5218)	-
Cash & Cash Equivalents as per statement of cash flows	<u>4559</u>	<u>31250</u>



3. Net Debt Reconciliation

(₹ Lakh)


	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Cash & Cash Equivalents	4559	31250
Borrowings including current maturities and accrued interest	(210622)	(223024)
Net Debt	(206063)	(191774)

(₹ Lakh)

Particulars	Cash & Cash Equivalents	Non Current Borrowings	Total
Net Debt as at April 1, 2020	31250	(223024)	(191774)
Cash Flows	(26691)	5573	(21118)
Foreign Exchange adjustments	-	5539	5539
Interest Expenses	-	(2774)	(2774)
Interest Paid	-	4064	4064
Net Debt as at March 31, 2021	4559	(210622)	(206063)

For and on behalf of the Board of Directors


(Soumendras Das)
Company Secretary
FCS-4833


(Akhileshwar Singh)
Director(Finance) cum CFO
DIN:08627576


(Nand Lal Sharma)
Chairman & Managing Director
DIN:03495554

This is the Consolidated Statement of Cash Flows referred to in our report of even date

For A P R A & Associates LLP
Chartered Accountants
FRN-011078N/N500064


(Deepak Kataria)
Partner
M.No. 504395
UDIN-21504395AAAADL7276

Place: Shimla / New Delhi
Date : June 26, 2021



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

A. Equity Share Capital

For the Year Ended March 31, 2021

(₹ Lakh)

Particulars	Amount (₹ Lakh)
Opening Balance as at April 1, 2020	392980
Equity Shares issued during the year	-
Equity Shares bought back during the year	-
Closing Balance as at March 31, 2021	392980

For the Year Ended March 31, 2020

(₹ Lakh)

Particulars	Amount (₹ Lakh)
Opening Balance as at April 1, 2019	392980
Equity Shares issued during the year	-
Equity Shares bought back during the year	-
Closing Balance as at March 31, 2020	392980

B. Other Equity

For the Year Ended March 31, 2021

(₹ Lakh)

Particulars	Reserves and Surplus			Total Other Equity
	Capital Redemption Reserve	Securities Premium	Retained Earnings	
Opening Balance as at April 1, 2020	20683	-	791445	812128
Profit for the Period			164561	164561
Other Comprehensive Income			(166)	(166)
Total Comprehensive Income			164395	164395
Dividends				
Final Dividend Paid for 2019-20			(19649)	(19649)
Interim Dividend Paid for 2020-21			(70736)	(70736)
Closing Balance as at March 31, 2021	20683	-	865455	886138


For the Year Ended March 31, 2020

(₹ Lakh)

Particulars	Reserves and Surplus			Total Other Equity
	Capital Redemption Reserve	Securities Premium	Retained Earnings	
Opening Balance as at April 1, 2019	20683	-	747523	768206
Profit for the Period			156676	156676
Other Comprehensive Income			(1420)	(1420)
Total Comprehensive Income			155256	155256
Dividends				
Final Dividend Paid for 2018-19			(25544)	(25544)
Interim Dividend Paid for 2019-20			(66807)	(66807)
Dividend Tax				
On Final Dividend 2018-19			(5251)	(5251)
On Interim Dividend 2019-20			(13732)	(13732)
Closing Balance as at March 31, 2020	20683	-	791445	812128

For and on behalf of the Board of Directors



(Soumendra Das)
Company Secretary
FCS-4833


(Akhileshwar Singh)
Director(Finance) cum CFO
DIN:08627576


(Nand Lal Sharma)
Chairman & Managing Director
DIN:03495554

This is the Consolidated Statement of Changes in Equity referred to in our report of even date

For A P R A & Associates LLP

Chartered Accountants
FRN-011078N/N500064
(Deepak Kataria)Partner
M.No. 504395
UDIN-21504395AAAADL7276

Place: Shimla / New Delhi

Date : June 26, 2021



I. Company Information and Significant Accounting Policies

A. Reporting Entity

SJVN Limited (the “Company”) is a Company domiciled in India and limited by shares (CIN: L40101HP1988GOI008409). The shares of the Company are listed and traded on the National Stock Exchange of India Limited (NSE) and BSE Limited in India. The address of the company’s registered office is Shakti Sadan, Shanan, Shimla-171006 (H.P.). These consolidated financial statements comprise the financial statements of the Company and its subsidiaries (referred to collectively as the ‘Group’) and the Group’s interest in its joint ventures. Electricity generation is the principal business activity of the Group. The Group is also engaged in the business of providing consultancy.

B. Significant Accounting Policies

1.1 Basis of Preparation:

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

These consolidated financial statements were authorized for issue by the Board of Directors on June 26,2021.

Use of estimates and management judgments:

The preparation of the financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of Assets, Liabilities, Income, Expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management’s judgements are based on previous experience and other factor considered reasonable and prudent in the circumstances. Actual results could vary from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that may have the most significant effect on the amount recognized in the financial statements are as under:

a) Useful life of Property, Plant & Equipment and intangible assets:

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

Useful life of the asset used for generation of electricity is determined by the Central Electricity Regulatory Commission (CERC) tariff regulations as mentioned in Part-B of schedule-II of the Companies act 2013 except for computer & peripherals and mobile phones which are as per management assessment.

b) Recoverable amount of property, plant and equipment and intangible assets:

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

c) Post-employment benefits plan:

Employee benefits obligations are measured on the basis of actuarial

assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have an impact on the resulting calculations.

d) Revenues:

The group recognizes revenue from sale of power based on tariff approved by the CERC. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC tariff regulations.

e) Regulatory deferral account balances:

Recognition of regulatory deferral account balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/ payable through tariff in future.

f) Investment in Joint Ventures:

Investment has been carried at cost and as per assessment by the group, there is no indication of impairment on such investments. Any changes in assumption may have a material impact on the measurement of the recoverable amount.

g) Provisions and contingencies:

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, ‘Provisions, Contingent Liabilities and Contingent Assets’. The evaluation of the likelihood of the contingent events has been made on the basis of best judgment by management regarding probable outflow of economic resources. Such estimation can change on occurrence of unforeseeable developments.

1.2 Basis of Measurement:

These consolidated financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- financial assets and liabilities except certain Investments and borrowings carried at amortised cost,
- assets held for sale–measured at fair value less cost of disposal,
- defined benefit plans–plan assets measured at fair value,
- Right of Use Assets–measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value. However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

These consolidated financial statements are presented in Indian Rupees (₹), which is the Group’s functional and presentation currency and all amounts are rounded to the nearest lakh, except as stated otherwise.

1.3 Basis of Consolidation:

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent group, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

a) Subsidiaries

- i) A subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights



to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

- ii) The Group combines the financial statements of the parent and its subsidiaries on a line by line basis, adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.
- iii) A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.
- iv) If the Group loses control over a subsidiary, it derecognizes the assets, liabilities, carrying amount of any non-controlling interests and the cumulative translation differences recorded in equity.

b) Joint ventures

- i) A joint venture is a joint arrangement whereby parties that have joint control of the arrangement have rights to the net assets of the arrangement. Interests in joint ventures are initially recognized at cost and thereafter accounted for using the equity method.
- ii) Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and other comprehensive income of the investee in the Statement of Profit and Loss and Other Comprehensive Income of the Group. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.
- iii) When the Group's share of losses in a joint venture equals or exceeds its investment in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint venture.
- iv) Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where the accounting policies of joint ventures are different from those of the Group, appropriate adjustments are made for like transactions and events in similar circumstances to ensure conformity with the policies adopted by the group.
- v) Any gain or loss on dilution arising on a reduced stake in the joint venture, but still retaining the joint control, is recognized in the Statement of Profit and Loss.
- vi) When the investment ceases to be a joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value with the change in carrying amount recognized in the Statement of Profit and Loss. The fair value of the retained interest becomes the initial carrying amount for the purpose of accounting for the retained interest as an associate or as a financial asset. Any amounts previously recognized in other comprehensive income in respect of that joint venture are reclassified to the Statement of Profit and Loss.

1.4 Property, plant and equipment (PPE)

- a) The Group has opted to utilize the option under para D7AA of Appendix D to Ind AS 101 which permits to continue to use the Indian GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of property, plant and equipment according to the Indian GAAP as at April 1, 2015 i.e. Group's date of transition to Ind AS, were maintained in transition to Ind AS.
- b) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.

- c) PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost wherever required. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. 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.
- d) After initial recognition, Property, Plant & Equipment is carried at cost less accumulated depreciation/ amortisation and accumulated impairment losses, if any.
- e) Deposits, Payments/ liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
- f) Asset created on land not belonging to the group where the company is having control over the use and access of such asset are included under Property, Plant and Equipment.
- g) Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised when no future economic benefits are expected from its use or upon disposal. The costs of the day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred. Other spares are treated as "stores & spares" forming part of the inventory and expensed when used/ consumed.
- h) Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the group and the cost of the item can be measured reliably.
- i) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life of the power station resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset.
- j) Property, plant and equipment is derecognized when no future economic benefits are expected from its use or upon its disposal. Gains and losses on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

1.5 Capital Work-in-progress

- a) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work-in-progress (CWIP). Such cost comprises of purchase price of asset including other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.
- b) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, depreciation on assets used in construction of projects, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Expenditure Attributable to Construction (EAC)" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets.
- c) Capital Expenditure incurred for creation of facilities, over which the Group does not have control but the creation of which is essential for construction of the project is carried under "Capital Work-in-progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects. Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.
- d) Expenditure on Survey and Investigation of the Project 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.

- e) 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.
- f) Claims for price variation/ exchange rate variation in case of contracts are accounted for on acceptance.

1.6 Investment Property

- a) Land or a building or part of building or both held by company to earn rentals or for capital appreciation or both is classified as Investment property other than for:
 - i. Use in the production or supply of goods or services or for administrative purpose; or
 - ii. Sale in the ordinary course of business.
- b) Investment property is recognised as an asset when, and only when:
 - i. It is probable that the future economic benefits that are associated with the investment property will flow to the entity; and
 - ii. The cost of the investment property can be measured reliably.
- c) Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.
- d) Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of derecognition.
- e) Transfers to or from investment property is made when and only when there is a change in use.

1.7 Intangible Assets and intangible assets under development

- a) Intangible assets are identifiable non-monetary asset without physical substance. Intangible assets are recognised if:
 - i. It is probable that the expected future economic benefit that are attributable to the asset will flow to the entity; and
 - ii. the cost of the asset can be measured reliably
- b) Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- c) Subsequent expenditure on already capitalized Intangible assets is capitalised when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.
- d) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any.
- e) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- f) Expenditure on development activities is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to & has sufficient resources to complete development and to use or sell the asset.
- g) Expenditure incurred which are eligible for capitalisation under

intangible assets are carried as intangible assets under development till they are ready for their intended use.

1.8 Regulatory deferral accounts

- a) Expenses/ income recognized in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized as 'Regulatory deferral account balances' as per Ind AS-114.
- b) Regulatory deferral account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.
- c) Regulatory deferral account balances are evaluated at each balance sheet date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If these criteria are not met, the regulatory deferral account balances are derecognised.

1.9 Impairment of non-financial assets

- a) The carrying amounts of the Group's non-financial assets primarily include property, plant and equipment, which are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.
- b) In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.
- c) Impairment losses recognized in earlier period are assessed at each reporting date for any indication that loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

1.10 Inventories

- a) Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipment.
- b) Inventories and Certified Emission Reduction (CERs-Carbon Credit) are valued at the lower of cost and net realizable value.
- c) Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- d) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
- e) Net realizable value of obsolete, unserviceable and surplus stores & spares is ascertained at the end of financial year and provided for, wherever required. Scrap is accounted for as and when sold.

1.11 Foreign Currency Transactions:

a) Functional and presentation currency:

These consolidated financial statements have been presented in Indian Rupees (₹), which is the Group's functional and presentation currency.



b) Transactions and balances

- i. Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date. Non-monetary items denominated in foreign currency are reported at the exchange rate prevailing at the date of transaction.
- ii. Exchange differences arising on translation or settlement of monetary items are recognised in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of fixed assets entered up to March 31, 2016 are adjusted to carrying cost of fixed assets.
- iii. In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Group initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The Group has elected to avail the exemption available under IND AS 101, with regard to continuation of policy for accounting of exchange differences arising from translation of long term foreign currency monetary liabilities.

1.12 Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial Assets

A financial asset includes inter-alia any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial assets or to exchange financial asset or financial liability under condition that are potentially favourable to the Group. A financial asset is recognized when and only when the Group becomes party to the contractual provisions of the instrument. Financial assets of the Group comprise cash and cash equivalents, Bank Balances, Advances to employees/ contractors, security deposit, claims recoverable etc.

Initial recognition and measurement:

- i. All financial assets except trade receivables are recognised initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.
- ii. The group measures the trade receivables at their transaction price if the trade receivables do not contain a significant financing component. A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

Subsequent measurement:

- i. Financial Assets are measured at amortized cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.
- ii. After initial measurement, financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss.
- iii. Financial assets at fair value through other comprehensive income are

measured at each reporting date at fair value. Fair value changes are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss.

- iv. Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit and Loss.

Impairment of financial assets:

- i. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.
- ii. In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss and follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract assets resulting from transactions within the scope of Ind-AS 115.
- iii. The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
- iv. For recognition of impairment loss on other financial assets, the company assesses whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, ECL is provided. For assessing increase in credit risk and impairment loss, the group assesses the credit risk characteristics on instrument-by-instrument basis.
- v. Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the statement of profit and loss.

Derecognition:

A financial asset is derecognised when all the cash flows associated with the financial asset has been realised or such rights have expired.

b) Financial liabilities

Financial liabilities of the Group are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group. The Group's financial liabilities include loans & borrowings, trade and other payables etc.

Classification, initial recognition and measurement:

- a) Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the effective rate of interest.
- b) Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Subsequent measurement:

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



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

Derecognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

c) Offsetting of financial instruments

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

1.13 Investment in joint ventures and associates:

- a) A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.
- b) An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies.
- c) The investment in joint ventures and associates are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost less impairment, if any.

1.14 Leases

The Group has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

Lease is a contract that conveys the right to control the use of identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the group assesses whether: (i) the contract involves use of an identified assets, (ii) the customer has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the customer has the right to direct the use of the asset.

i) As a lessee

At the date of commencement of lease, the group recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and leases for which the underlying asset is of low value. For these short-term and leases for which underlying asset is of low value, the company recognizes the lease payments on the straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liability includes these options when it is reasonably certain that they will be exercised.

The right-to-use assets are initially recognized at cost, which comprises the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of lease along with the initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-to-use assets is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of lease liability. The Group applies Ind AS 36 to determine whether a ROU asset is impaired and accounts

for any identified impairment loss as described in accounting policy 1.8 on "Impairment of non-financial assets".

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

The interest cost on lease liability is expensed in the Statement of Profit and Loss, unless eligible for capitalization as per accounting policy 1.16 on "Borrowing Cost".

Lease liability and ROU assets have been separately presented in the financial statements and lease payments have been classified as financing cash flows.

ii) As a Lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

1.15 Government Grants

- a) Government grants with a condition to purchase, construct or otherwise acquire long-term assets are initially measured based on grant receivable under the scheme. Such grants are recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset. Amount of benefits receivable in excess of grant income accrued based on usage of the assets is accounted as Government grant received in advance. Changes in estimates are recognised prospectively over the remaining life of the assets.
- b) Government revenue grants relating to costs are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate.
- c) Non-monetary government grants are recorded at a nominal amount.

1.16 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes interest expense on lease liabilities recognized in accordance with Ind AS 116- 'Leases' and exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction/erection or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. All other borrowing costs are expensed in the period in which they occur.

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

1.17 Provisions, Contingent Liabilities and Contingent Assets

a) A provision is recognised when:

- i. The Group has present legal or constructive obligation as result of past event;
 - ii. It is probable that an outflow of economic benefits will be required to settle the obligation; and
 - iii. A reliable estimate can be made of the amount of the obligation.
- b) If the effect of the time value of money is material, provision are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of



money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

- c) The amount recognised as provision is the best estimate of consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.
- d) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- e) Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.
- f) Liability for claims against the Group is recognized on acceptance by the Group/ receipt of award from the Arbitrator and the balance claim, if disputed/ contested by the contractor is shown as contingent liability. The claims prior to arbitration award stage are disclosed as contingent liability.
- g) Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgement of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

1.18 Revenue Recognition and Other Income

Group's revenues arise from sale of energy, consultancy services and other income. Other income comprises interest from banks, employees, contractors etc., dividend from investments in joint venture companies, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

- a) Revenue from operations of the group mainly consists from plants regulated under the Electricity Act, 2003. Accordingly, the Central Electricity Regulatory Commission (CERC) determines the tariff on the norms prescribed in the tariff regulations as applicable from time to time. Revenue from sale of energy is accounted for as per tariff notified by Central Electricity Regulatory Commission (CERC). In case of power stations where the tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations. Further, recovery/refund towards foreign currency variation in respect of foreign currency loans is accounted for on year to year basis. Revenue from sale of energy is recognized once the electricity has been transmitted to customers and control over the product is transferred to the customers. As at each reporting date, revenue from operations includes an accrual for energy sales transmitted to customers but not yet billed (unbilled Revenue).
- b) Part of revenue from energy sale where CERC tariff Regulations are not applicable is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries
- c) Rebate to customers as early payment incentive is deducted from the amount of revenue from energy sales.
- d) Incentives/disincentives are accounted for based on the norms notified/approved by the Central Electricity Regulatory Commission.
- e) Recovery/ refund towards foreign currency variation in respect of foreign currency loans are recognised on year to year basis based on regulatory norms.

- f) Advance against depreciation considered as deferred income in earlier years is included in sales on straight line basis over the balance useful life after 31st March of the year closing after a period of 12 years from the date of commercial operation of the Hydro Power Station, considering the total useful life of the Hydro Power Station as 40 years.
- g) Revenue from consultancy services rendered is recognised in the statement of profit and loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to actual progress/ technical assessment of work executed, in line with the terms of respective consultancy contracts. Claims for reimbursement of expenditure are recognized as other income, as per the terms of consultancy contracts.
- h) Interest/Surcharge on late payment/ overdue sundry debtors for sale of energy are recognised when no significant uncertainty as to measurability or collectability exists.
- i) Dividend income is recognized when the group's right to receive payment is established.
- j) Interest/surcharge/liquidated damages recoverable from suppliers and contractors, wherever there is uncertainty of realisation/acceptance are accounted for on receipts/acceptance.
- k) Interest income on financial assets as subsequently measured at amortized cost is recognised on a time-proportion basis using the effective interest method. Interest income on impaired loans/receivable is recognised using the original effective interest rate.
- l) Income arising from sale of CERs-carbon credit is recognized on transfer/ sale of carbon credits i.e. when there is certainty regarding ultimate collection.
- m) Compensation from third parties including from insurance are accounted for on certainty of realization.

1.19 Employee Benefits

Employee benefits consist of wages, salaries, benefits in kind, provident fund, pension, gratuity, post-retirement medical facilities, leave benefits and other terminal benefits etc.

a) Defined Contribution Plans

- i) A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate trust and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the periods during which services are rendered by employees.
- ii) The group also has Defined Contribution Pension Scheme for providing pension benefit. The obligation of the company is to contribute the extent of amount not exceeding 30% of basic pay and dearness allowance less employer contribution/liability towards provident fund, gratuity, post-retirement medical facility (PRMF). The liability for the same is recognized on accrual basis. The scheme is funded by group and managed by separate trust created for this purpose.

b) Defined Benefit Plans

- i. A defined benefit plan is a post-employment plan other than a defined contribution plan.
- ii. The Group pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. The obligation of the group is limited to such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI.
- iii. The gratuity scheme is funded by the group and is managed by a separate trust. Group's liability is determined by the qualified actuary using the projected unit credit method at the year-end and any shortfall in the fund size maintained by the trust is additionally provided for by the group.



- iv. The group has a Post Retirement Medical Facility (PRMF), under which retired employees, spouse and eligible parents of retired employee are provided medical facilities in the group hospitals/ empanelled hospitals/ other hospitals. They can also avail treatment as Out- patient subject to rules and regulations made by the Group.
- v. The group also has other benefit plans allowance on retirement/ death and memento on superannuation.
- vi. The group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.
- vii. Service cost & net interest on the net defined benefit liability (asset) are recognised in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.
- viii. Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

c) Other Long-term employee benefits

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

The Group's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. Actuarial gains or losses are recognised in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.

Benefits under the group's leave encashment, long-service award and economic rehabilitation scheme constitute other long term employee benefits.

The group's net obligation in respect of these long-term employee benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. Any actuarial gains or losses are recognized in statement of profit and loss account in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

d) Short-term Benefits

Short-term employee benefit obligations are measured on an

undiscounted basis and are expensed in the period in which the service is provided.

e) Terminal Benefits

Expenses incurred on terminal benefits in the form of ex-gratia payments and notice pay on voluntary retirement schemes, if any, are charged to the profit and loss in the year of incurrence of such expenses.

1.20 Depreciation and amortization

- a) Depreciation on Property, Plant & Equipment of Operating Units of the Group is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology as notified by CERC for the fixation of tariff in accordance with Schedule-II of the companies act 2013 except for assets specified in policy no. 1.20(c) below.
- b) Depreciation on Property, Plant & Equipment of other than Operating Units of the Group is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in policy no.1.20(c) below.
- c) Depreciation on the following items of Property, Plant and Equipment is charged on straight line method on estimated useful life:
 - i. Computer & Peripherals depreciated fully (100%) in 3 years.
 - ii. Mobile Phones depreciated fully (100%) in 2 years.

The useful life of these assets are reviewed at each financial year end and adjusted prospectively, wherever required.

- d) Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the month on which the asset is available for use / disposed.
- e) Temporary erections are depreciated fully (100%) in the year of acquisition /capitalization.
- f) Assets costing upto ₹ 5000/- are fully depreciated in the year of acquisition.
- g) Expenditure on software recognized as 'Intangible Asset' and is amortized fully on straight line method over a period of legal right to use or three years, whichever is less. Other intangible assets with a finite useful life are amortized on a systematic basis over its useful life. The amortisation period and the amortisation method of intangible assets with a finite useful life is reviewed at each financial year end.
- h) Right-of-use land and buildings relating to generation of electricity business governed by CERC Tariff Regulations are fully amortized over lease period or life of the related plant whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized over lease period or life of the related plant whichever is lower.

Other Right of use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

- i) Tangible Assets created on leasehold land are depreciated to the extent of 90% of original cost over the balance available lease period of respective land from the date such asset is available for use or at the applicable depreciation rates & methodology notified by CERC tariff regulations for such assets, whichever is higher.
- j) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, change in duties or similar factors, the unamortized balance of such assets is depreciated prospectively over the residual life of such asset determined following the applicable accounting policies relating to depreciation/ amortization.



- k) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.
- l) Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by the CERC.
- m) 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.

1.21 Income Taxes

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

a) Current income tax

Current tax is expected tax payable on taxable profit for the year, using tax rates enacted or substantively enacted at the balance sheet date and any adjustments to tax payable in respect of previous years.

b) Deferred tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT credit is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future taxable profit will be available against which MAT credit can be utilized.

1.22 Dividend Distribution:

- a) Final Dividends and interim dividends payable to Group's shareholders are recognized and accounted for in the period in which they are approved by the shareholders and the Board of Directors respectively.

1.23 Segment Reporting:

- a) Segments have been identified taking into account nature of product and differential risk and returns of the segment. These business segments are reviewed by the Management.
- b) Electricity generation is the principal business activity of the group. Other operations viz., Consultancy works etc. do not form a reportable

segment as per the Ind AS -108 - 'Operating Segments'.

- c) The group is having a single geographical segment as all its Power Stations are located within the Country.

1.24 Statement of Cash Flows

- a) Cash and cash equivalents includes cash/Drafts/Cheques on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, bank overdrafts are shown within "Borrowings" under current liabilities.
- b) Statement of cash flows is prepared in accordance with the indirect method (whereby profit or loss is adjusted for effects of non-cash transactions) prescribed in Ind AS-7 "Statement of Cash Flows"

1.25 Material prior period errors

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

1.26 Earnings per share

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

1.27 Current versus non-current classification

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

An asset is current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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



2.1 Property, Plant & Equipment
As at March 31, 2021

Sl.No.	Particulars	Gross Block			Depreciation			Net Block		
		As at April 1, 2020	Additions during the year	Deductions/ Adjustments	As at March 31, 2021	As at April 1, 2020	For the year	Deduction	As at March 31, 2021	As at March 31, 2021
1	Land									
	Freehold (including development expenses)	62388	9755	-	72143	-	-	-	72143	
	Right of use	1701	247	-	1948	136	64	-	200	1748
2	Buildings									
	Freehold \$	119262	18854	135	137981	21178	4455	-	25633	112348
	Right of use	18411	746	49	19108	1377	1020	49	2348	16761
3	Roads and Bridges	6639	-	-	6639	1241	207	-	1448	5191
4	Plant and Machinery	2137	428	7	2558	512	99	3	608	1950
5	Generating Plant and Machinery *	298956	3206	3586	298576	75522	13145	1327	87340	211236
6	Hydraulic Works(Dams, Tunnel, etc.) **	530737	843	24	531556	146504	19223	7	165720	365836
7	Vehicles									
	Owned	655	66	22	699	201	52	9	244	455
	Right of use	2475	639	606	2508	898	709	118	1489	1019
8	Furniture, Fixture and Equipments	2739	251	-	2990	549	180	-	729	2261
9	Electrical Works	3941	85	-	4026	788	176	-	964	3062
10	Electrical Equipments	710	126	11	825	179	40	11	208	617
11	Office Equipments	3843	219	82	3980	966	276	64	1178	2802
12	Data processing Equipments	1249	334	83	1500	822	271	82	1011	489
	Total	1055843	35799	4605	1087037	250873	39917	1670	289120	799917

As at March 31, 2020

Sl.No.	Particulars	Gross Block			Depreciation			Net Block		
		As at April 1, 2019	Additions during the year	Deductions/ Adjustments	As at March 31, 2020	As at April 1, 2019	For the year	Deduction	As at March 31, 2020	As at March 31, 2020
1	Land									
	Freehold (including development expenses)	58546	4631	789	62388	-	-	-	-	62388
	Right of use	1605	96	-	1701	78	58	-	136	1565
2	Buildings									
	Freehold \$	117422	1893	53	119262	17315	3873	10	21178	98084
	Right of use	14200	4211	(0)	18411	316	1061	-	1377	17034
3	Roads and Bridges	6112	527	-	6639	942	299	-	1241	5398
4	Plant and Machinery	1927	221	11	2137	334	180	2	512	1625
5	Generating Plant and Machinery *	285258	14459	761	298956	62679	12919	76	75522	223434
6	Hydraulic Works(Dams, Tunnel, etc.) **	529833	904	-	530737	127335	19169	-	146504	384233
7	Vehicles									
	Owned	653	12	10	655	148	60	7	201	454
	Right of use	-	2475	-	2475	-	898	-	898	1577
8	Furniture, Fixture and Equipments	2075	703	39	2739	393	170	14	549	2190
9	Electrical Works	2845	1102	6	3941	626	164	2	788	3153
10	Electrical Equipments	606	108	4	710	117	62	-	179	531
11	Office Equipments	3476	374	7	3843	713	261	8	966	2877
12	Data processing Equipments	1000	265	16	1249	547	285	10	822	427
	Total	1025558	31981	1696	1055843	211543	39459	129	250873	804970

As at March 31, 2020

Possession of freehold land measuring 0.05-22 hectare (P.Y.: 0-05-22 hectare) is still to be handed over to the group.
 # Land measuring 7.075 acres (P.Y.: 7.075 acres) is not in possession of the group and has not been mutated.
 * \$ Title deeds/ title in respect of buildings costing ₹ 15 lakh (P.Y.: ₹ 15 lakh) are yet to be executed / passed in favour of the group. Expenses on stamp duty etc. shall be accounted for on registration."
 \$ Includes ₹ 1606 lakh (P.Y.: Nil) capitalised during the year on account of provision made on the basis of arbitration award.
 ** Generating Plant & Machinery includes assets having gross value of ₹ 80 lakh (P.Y.: ₹ 80 lakh) and W.D.V of ₹ 68 lakh (P.Y.: ₹ 68 lakh) being theft for which provision has been made.

2.2 Capital Work-in-progress

As at March 31, 2021

Sl. No.	Particulars	As at April 1, 2020	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2021	Capitalised during the year	As at March 31, 2021
1	Building	5054	20290	132	25212	18627	6585
2	Civil Works	38294	47892	-	86186	872	85314
3	Roads, Bridges & Culverts	20436	3351	-	23787	-	23787
4	Plant and Machinery	23726	111773	-	135499	704	134795
5	Electrical Works	1478	337	-	1815	33	1782
6	Electro Mechanical Works	5560	8243	-	13803	5140	8663
7	Preliminary	27346	11902	-	39248	-	39248
8	Expenditure on Compensatory Afforestation/CAT Plan	17698	-	-	17698	-	17698
9	Expenditure Attributable to Construction (Note 2.2.1)	83729	23626	-	107355	-	107355
10	Railway siding	-	4111	-	4111	-	4111
	Total	223321	231525	132	454714	25376	429338

(₹ Lakh)

As at March 31, 2020

Sl. No.	Particulars	As at April 1, 2019	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2020	Capitalised during the year	As at March 31, 2020
1	Building	3282	4429	-	7711	2657	5054
2	Civil Works	7709	31835	-	39544	1250	38294
3	Roads, Bridges & Culverts	11499	9013	-	20512	76	20436
4	Plant and Machinery	-	23875	(129)	24004	278	23726
5	Electrical Works	1100	1505	-	2605	1127	1478
6	Electro Mechanical Works	3186	8960	129	12017	6457	5560
7	Preliminary	25941	8757	-	34698	7352	27346
8	Expenditure on Compensatory Afforestation/CAT Plan	14615	3083	-	17698	-	17698
9	Expenditure Attributable to Construction (Note 2.2.1)	61306	22587	71	83821	92	83729
	Total	128638	114044	71	242610	19289	223321

(₹ Lakh)



2.2.1 Expenditure Attributable to Construction

(₹ Lakh)

Particulars	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Employee Benefit Expenses:		
Salaries,Wages, Allowances and Benefits	12256	10987
Contribution to Provident and Other Funds	1084	1342
Leave Salary and Pension Contribution *	14	50
Welfare Expenses	2414	2347
	15768	14726
Repair and Maintenance:		
Buildings	51	105
Plant & Machinery	4	11
Office Equipments & Furnitures	8	15
Vehicles	20	20
Others	275	218
	358	369
Other Expenses:		
Rent	54	48
Rates & Taxes	2	1
Insurance	10	7
Security Expenses	489	320
Electricity Charges	239	112
Travelling & Conveyance	90	338
Training and Recruitment Expenses	37	64
Legal Expenses	63	69
Professional and Consultancy Charges	474	397
Communication Expenses	221	117
Printing & Stationery	61	55
Less: Receipts from Sale of Tenders	3	3
	58	52
Advertisement & Publicity	41	80
EDP Expenses	41	37
Hiring of Vehicles	661	415
Entertainment Expenses	19	9
Expenses on Transit Camps	202	135
Books & Periodicals	1	1
Stores Written Off	17	-
Loss on Disposal/Write off of Fixed Assets	-	1
Foundation Stone Laying Ceremony Expenses	35	-
Business Promotion Expenses	5	66
Fees and subscription	16	3
Environment & Ecology Expenses	81	98
Miscellaneous Expenses	243	187
Exchange Rate Variation	102	-
Expenditure on Catchment Area Treatment	-	16
Rehabilitation Expenses	7	11
Depreciation and Amortization Expense	1196	1165
Interest and Finance Charges:		
Interest on loans	1251	430
Finance charges on lease liabilities	38	40
Other finance charges	2866	4126
Total expenses (A)	24685	23440
Less: Recovery and Receipts:		
Interest Income:		
Banks	583	438
Employees	-	38
Contractors	379	235
Misc Income	97	142
Total (B)	1059	853
Net expenditure attributable to construction Projects (A-B)	23626	22587

* Leave Salary and Pension Contribution is on account of retirement benefits of deputationists working in the company payable to their parent organisations.



2.3 Intangible Assets

As at March 31, 2021

Sl.No.	Particulars	Gross Block			Depreciation		Net Block			
		As at April 1, 2020	Additions during the year	Deductions/ Adjustments	As at March 31, 2021	As at April 1, 2020	For the year	Deduction	As at March 31, 2021	As at March 31, 2020
1	Software	516	3247	-	3763	371	606	-	977	2786
	Total	516	3247	-	3763	371	606	-	977	2786

As at March 31, 2020

Sl.No.	Particulars	Gross Block			Depreciation		Net Block			
		As at April 1, 2019	Additions during the year	Deductions/ Adjustments	As at March 31, 2020	As at April 1, 2019	For the year	Deduction	As at March 31, 2020	As at March 31, 2020
1	Software	423	93	-	516	245	126	-	371	145
	Total	423	93	-	516	245	126	-	371	145

2.4 Intangible assets under development

As at March 31, 2021

Sl.No.	Particulars	As at April 1, 2020	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2021	Capitalised during the year	As at March 31, 2021
1	Software	3187	363	-	3550	3061	489
	Total	3187	363	-	3550	3061	489

As at March 31, 2020

Sl.No.	Particulars	As at April 1, 2019	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2020	Capitalised during the year	As at March 31, 2020
1	Software	1692	1529	-	3221	34	3187
	Total	1692	1529	-	3221	34	3187

2.5 Investment Accounted for using equity method.

Investment in Equity instruments	As At March 31, 2021	As At March 31, 2020
Non Trade-Unquoted (at cost)		
Joint Venture Companies		
Kholongchhu Hydro Energy Ltd	19043	16653
Cross Border Power Transmission Company Ltd.	2978	2859
Total	22021	19512

2.6 Non-current assets-Financial Assets-Investments

Investment in Equity instruments	As At March 31, 2021	As At March 31, 2020
Non Trade-Unquoted (at cost)		
(a) Others	175	-
17500000 (P.Y:Nil) Equity Shares of ₹1/- each in Pran Urja Solution Limited	175	-
Total Investments	175	-



2.7 Non - current assets-Financial Assets-Loans

(₹ Lakh)

		As At March 31, 2021	As At March 31, 2020
Security Deposits			
- Secured Considered Good	-	-	-
- Unsecured Considered Good	339	339	278
- Doubtful	-	-	-
			<u>278</u>
Loans to Related Parties			
Loans to Directors			
- Secured considered good	17	17	7
- Unsecured considered good	3	3	11
- Doubtful	-	-	-
		<u>20</u>	<u>18</u>
Other Loans			
Loan to officers of the company			
- Secured considered good	-	-	-
- Unsecured considered good	27	27	8
- Doubtful	9	9	28
		<u>-</u>	<u>-</u>
Loans to other Employees			
- Secured considered good	-	-	-
- Unsecured considered good	6949	6949	5431
- Doubtful	412	412	379
		<u>-</u>	<u>-</u>
Other Advances:			
Unsecured considered good			
-Directors	-	-	-
-Officers of the Company	-	-	-
-Other Employees	541	541	687
		<u>541</u>	<u>687</u>
Total		<u>8297</u>	<u>6829</u>
Loans to relatives of related party		-	-

2.8 Non - current assets-Financial Assets-Others

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Bank Deposit with more than 12 months maturity *	3820	-
Interest Accrued but not due on deposits with Banks	57	-
Total	<u>3877</u>	<u>-</u>

* Pledged with banks for bank guarantee

2.9 Deferred tax assets (net)

(₹ Lakh)

	As at April 1, 2020	Additions/ (Adjustments) during the period	As At March 31, 2021
Deferred Tax Assets			
Temporary difference in carrying amount of PPE/ Intangible assets	20057	(6926)	13131
Temporary difference in Provisions	2737	230	2967
Deferred revenue	28169	(1127)	27042
MAT credit entitlement	27500	(8368)	19132
Total	<u>78463</u>	<u>(16191)</u>	<u>62272</u>

As at March 31, 2020

(₹ Lakh)

	As at April 1, 2019	Additions/ (Adjustments) during the period	As At March 31, 2020
Deferred Tax Assets			
Temporary Difference in carrying amount of PPE/ Intangible assets	30556	(10499)	20057
Temporary Difference in Provisions	291	2446	2737
Deferred Revenue	-	28169	28169
MAT credit entitlement	36564	(9064)	27500
Total	<u>67411</u>	<u>11052</u>	<u>78463</u>



2.10 Other non-current assets

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Capital Advances		
Advances to Suppliers and Contractors		
Secured by hypothecation of Equipment/Material	3528	1021
Unsecured considered good		
-Covered by Bank Guarantees	13025	12753
-Others	7127	6810
Advances to Govt Departments	24621	14091
Less: Provision for Expenditure	202	218
	24419	13873
Total - Capital Advances	48099	34457
Other Advances		
Accrued Interest on Advances to Contractors	59	59
Less: Provision For Bad/Doubtful Debts/Advances	-	-
	59	59
Advance Tax	134558	105627
Tax Deducted at Source	9151	7946
	143709	113573
Less: Provision for Tax	142985	105324
	724	8249
Total - Other Advances	783	8308
Others		
Prepaid Expenses	3128	137
Deferred Employee Benefits Expense	2109	2557
Total - Others	5237	2694
Total Other Non Current Assets	54119	45459

2.11 Inventories

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Stores and Spares	5619	4955
Less : Provision for Shortage of store and Obsolescence	4	4
Total	5615	4951

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

2.12 Trade receivables

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Unsecured considered good	52191	74446
Total	52191	74446

Based on arrangement between company, banks and beneficiaries, the bills of the beneficiaries have been discounted. Accordingly, trade receivables have been disclosed net of bills discounted amounting to ₹ 20107 lakh (P.Y. ₹ 15000 lakh) (refer note no. 2.51)

2.13 Cash and cash equivalents

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Balances with Banks		
Current Accounts	6204	2925
Term Deposits (having original maturity of upto 3 months)	3573	28323
	9777	31248
Cheques & Drafts in hand	-	2
Total	9777	31250

2.14 Bank balance other than cash and cash equivalents

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Earmarked Balance (Unpaid Dividend)	282	266
Margin Money for BG/ Letter of Credit and Pledged deposits	35514	10762
Other Term Deposits(having original maturity of more than 3 months)	85021	191260
Total	120817	202288



2.15 Current assets-Financial assets-Loans

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Loans to Related Parties		
Loans to Directors		
- Secured considered good	15	4
- Unsecured considered good	4	6
- Doubtful	-	-
	19	10
Other Loans		
Loan to officers of the company:		
- Secured considered good	2	8
- Unsecured considered good	19	24
- Doubtful	-	-
	21	32
Loans to other Employees		
- Secured considered good	1153	917
- Unsecured considered good	169	188
- Doubtful	-	-
	1322	1105
Other Advances:		
Unsecured considered good		
-Directors	-	12
-Officers of the Company	21	61
-Other Employees	788	642
	809	715
Total	2171	1862
Loans to relatives of related party	-	-

2.16 Current assets-Financial assets-Others

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Interest Accrued but not due on deposits with Banks	2545	6508
Unbilled Revenue	25321	14597
Amount Receivable for Late Payment Surcharge	33179	-
Amount Recoverable from Contractors & Suppliers	10390	9842
Amount Receivable from Subsidiaries/ Joint Ventures	118	112
Amount Receivable from Others	150	225
Total	71703	31284

2.17 Other current assets

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Advances other than Capital Advances		
Other Advances		
Advances to Officers of the Company	-	-
Advances to other employees of the Company	6	7
	6	7
Advance to Suppliers and Contractors		
-Secured Considered Good	14	-
- Unsecured, considered good	538	150
-Doubtful	9	9
	561	159
Less Provision for Doubtful Advances	9	9
	552	150
Accrued Interest on Advances to Contractors	349	534
Advances to Govt Departments		
-Secured Considered Good		
- Unsecured, considered good *	11457	8197
-Doubtful	-	-
	11457	8197
Less Provision for Expenditure	1275	1275
	10182	6922



Advances to Others			
-Secured Considered Good	-		-
- Unsecured, considered good	180		193
-Doubtful	-		-
	180		193
Less Provision for Doubtful Advances	-		-
		180	193
Others			
Surplus Stores/Equipments	2925		674
Less: Provision for Shortage/ Obsolescence	2589		338
		336	336
Prepaid Expenses		5669	5746
Deferred Employees Benefits Expense		305	350
Amount Recoverable from Ex-Employees	7		7
Less: Provisions	7		7
		-	-
Other		4	15
Total		17583	14253

* Includes an amount of ₹1144 lakh (P.Y.: ₹1144 lakh) paid to Govt of Himachal Pradesh (GoHP) during F.Y. 2014-15 towards lease rent for diverted forest land of RHPS which has been protested by the company and included in amount recoverable from Government Departments. As per letter no F.NO II-79/2005-FC dated 01.06.2006 and F.NO II-306/2014-FC dated 08.08.2014 of Ministry of Environment and Forest (FC Division) GOI, no fresh conditions can be imposed by the States without the prior approval of the Central Government subsequent to the approval granted by the Central Government under the Forest (Conservation) Act 1980. As no fresh condition imposed by the Central Government to charge the lease amount and execute the lease deed, the amount has been shown under Other Advances.

2.18 Regulatory deferral account debit balance

As at March 31, 2021

	As at April 1, 2020	Movement during the year	As At March 31, 2021
Foreign exchange rate variation on foreign currency loans	33828	(8677)	25151
Employee benefits expense (pay revision)	19459	4313	23772
Interest on arbitration award	-	25782	25782
O&M / Security Expenses recoverable in tariff	-	11465	11465
Total	53287	32883	86170

As at March 31, 2020

	As at April 1, 2019	Movement during the year	As at March 31, 2020
Foreign exchange rate variation on foreign currency loans regarded as borrowing cost	18,734	15,094	33,828
Employee benefits expense (pay revision)	15,259	4,200	19,459
Total	33993	19294	53287

Disclosures as per Ind AS 114 'Regulatory Deferral Accounts' are provided in Note no. 2.54

2.19 Equity Share Capital

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
AUTHORISED				
Equity Shares of par value ₹ 10/- each	7000000000	700000	7000000000	700000
ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity Shares of par value ₹ 10/- each fully paid up	3929795175	392980	3929795175	392980
Total		392980		392980

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.

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

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	%	No. of Shares	%
President of India	2354802133	59.92	2354802133	59.92
Governor of Himachal Pradesh	1055014800	26.85	1055014800	26.85

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
Number of shares at the beginning	3929795175	392980	3929795175	392980
No. of shares issued during the year	-	-	-	-
No. of shares bought back during the year	-	-	-	-
Number of shares at the end	3929795175	392980	3929795175	392980



Dividends:

Dividends Paid and recognised during the year

(₹ Lakh)

Particulars	As At March 31, 2021	As At March 31, 2020
Final dividend for the F.Y. 2019-20 @ ₹0.50 (P.Y. ₹0.65) per share	19649	25544
Interim dividend for the F.Y. 2020-21 @ ₹1.80 (P.Y. ₹1.70) per share	70736	66807
	<u>90385</u>	<u>92351</u>

Dividends not recognised at the end of the reporting period

(₹ Lakh)

Particulars	As At March 31, 2021	As At March 31, 2020
The Board of Directors of the company have proposed final dividend for the year 2020-21 @ ₹ 0.40 (P.Y. ₹0.50) per share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	15719	19649
	<u>15719</u>	<u>19649</u>

2.20 Other Equity

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
A Capital Redemption Reserve *	20683	20683
B Retained Earnings		
Opening Balance	791445	747523
Add: Profit for the Year as per Statement of Profit and Loss	164561	156676
Add: Other comprehensive income during the year	(166)	(1420)
Less: Dividends		
Final Dividend Paid	19649	25544
Interim Dividend Paid	70736	66807
Less: Tax on Dividend:		
On Final Dividend	-	5251
On Interim Dividend	-	13732
Closing Balance	<u>865455</u>	<u>791445</u>
Total Other Equity (A+ B)	<u>886138</u>	<u>812128</u>

* Capital Redemption Reserve has been created from distributable profit for the buyback of the shares in the FY 2017-18. There is no movement in the Capital Redemption Reserve during the year.

2.21 Non-current liabilities-Financial liabilities-Borrowings

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Term Loans		
From Banks:		
A Secured		
Axis Bank Limited *	-	16688
(Repaid during the year by swapping with loan from HDFC Bank)		
Punjab National Bank #	28900	10599
(Repayable in quarterly instalments from June 2024 to March 2035 at floating (MCLR with annual reset) interest rate of 7.60% p.a. as on 31.03.2021)	-	-
HDFC Bank Limited *	12236	-
(Repayable in quarterly instalments from September 2020 to December 2023, carrying interest@ 5.90% p.a. (linked with Repo rate)		
Total (A)	<u>41136</u>	<u>27287</u>

* Secured by equitable mortgage/hypothecation of all present and future fixed assets and book debts as first charge of Rampur HPS.

Secured by equitable mortgage/hypothecation of all present and future immovable/ movable properties as first charge of Natwar Mori HEP.

B Unsecured:

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Foreign Currency Loans		
(Guaranteed by Govt of India)		
World Bank (IBRD)	169132	194093
(Repayable in 30 half yearly instalments from May 2013, carrying interest@ LIBOR+variable spread p.a.)		
Total (B)	<u>169132</u>	<u>194093</u>
Total (A+B)	<u>210268</u>	<u>221380</u>
Less: Current maturities of long term debts		
Rupee term loans from banks- secured	4456	4440
Foreign Currency loans from world bank	20244	19721
Total	<u>185568</u>	<u>197219</u>

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

2.22 Non-current liabilities-Financial liabilities-Lease liabilities

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Lease liabilities - Non current	971	1337
Total	<u>971</u>	<u>1337</u>

Disclosure as per Ind AS-116 has been given under note no. 2.56



2.23 Non-current liabilities-Financial liabilities-Others

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Deposits, Retention Money from Contractors and Others	10290	1
Total	10290	1

2.24 Non-current liabilities-Provisions

(₹ Lakh)

Particulars	As At March 31, 2021	As At March 31, 2020
Unfunded Employee Benefits	9658	8549
Community Development	6100	6100
Total	15758	14649

Disclosures as per Ind AS 19 'Employee benefits' are provided in Note no. 2.45

2.25 Other non-current liabilities

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Income Received in Advance:		
- Advance Against Depreciation	74163	77388
Deferred Revenue:		
- Government Grant	5	5
- Deferred Income from Foreign Currency Fluctuation	1031	1071
Total	75199	78464

2.26 Current liabilities-Financial liabilities-Borrowings

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Unsecured		
Bank Overdrafts	5218	-
Total	5218	-

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

2.27 Current liabilities-Financial liabilities-Lease liabilities

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Lease liabilities- current	906	1114
Total	906	1114

Disclosure as per Ind AS-116 has been given under note no. 2.56

2.28 Trade payables

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Total Outstanding Dues of Micro and Small Scale Enterprises	642	686
Total Outstanding Dues of Creditors Other than Micro and Small Enterprises	3889	3305
Total	4531	3991

Disclosure regarding dues to micro and small enterprises as required by the MSMED Act is made in Note 2.60

2.29 Current liabilities-Financial liabilities-Others

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Current Maturities of Long Term debt		
Secured		
- Rupee Term Loans	4456	4440
Unsecured		
- Foreign Currency Loans (Guaranteed by GOI)	20244	19721
	24700	24161
Interest Accrued but not due on:		
- Foreign Currency Loans : World Bank	354	1644
Unpaid Dividend	282	266
Others Payables:		
Liability for Employees' Remuneration and Benefits	10216	6236
Liability for Purchase/Construction of Fixed Assets:		
- Micro and Small Enterprises	392	419
- Other than Micro and Small Enterprises	54089	15785
Deposits, Retention Money from Contractors and Others	19381	16061
Amount Payable to Gratuity/Post Retirement Medical Trust	1034	1941
Others	18	19
Total	110466	66532

Disclosure regarding dues to micro and small enterprises as required by the MSMED Act is made in Note 2.60

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 2.21



2.30 Other current liabilities

(₹ Lakh)

	As At March 31, 2021	As At March 31, 2020
Revenue Received in Advance:		
Advance against Depreciation	3224	3224
Advance from Customers	3695	44
TDS and Other Taxes Payable	1892	1624
Others	76	-
Total	8887	4892

2.31 Current liabilities-Provisions

(₹ Lakh)

Particulars	As At March 31, 2021	As At March 31, 2020
Unfunded Employee Benefits *	1137	899
Pay Revision	-	-
Performance Related Pay	7319	6326
Corporate Social Responsibility/SD	-	74
Interest on Arbitration Awards	41059	14010
Others	891	891
Total	50406	22200

* Disclosures as per Ind AS 19 'Employee benefits' are provided in Note no. 2.45

Disclosures required by Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' are provided in Note no. 2.51

2.32 Revenue from Operations

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Sales		
Energy Sales	242205	239946
Less:		
Regulated Power Adjustment- Margin	76	381
Regulated Power Adjustment- Expenses	16	56
	242113	239509
Advance Against Depreciation	3224	3224
	245337	242733
Less: Rebate to Customers	530	754
	244807	241979
Consultancy Income	-	641
Total	244807	242620
Other operating revenues		
Interest from Beneficiaries	3470	27557
Others	262	103
Total	3732	27660
Total Revenue from Operations	248539	270280

Pending approval of tariff by CERC, sales for the year in respect of hydro power stations have been recognised in accordance with the tariff approved and applicable as on 31.03.2019 as provided in the CERC (Terms and Conditions of Tariff) regulations 2019.

Energy sales and interest from beneficiaries includes an amount of ₹ 5635 lakh and ₹ 3390 lakh respectively pertaining to earlier years on truing up of tariff in respect of RHPS for the period 2014-19 (Previous year energy sales and interest from beneficiaries include an amount of ₹ 852 lakh and ₹ 27557 lakh respectively pertaining to earlier years on finalisation of tariff of NJHPS and RHPS for the period 2004-2009 to 2014-19 respectively).

During the year, the Company has regulated the power of some of the beneficiaries after they 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 9.07 MUs (P.Y: 28.34 MUs) of power was sold through PTC amounting to ₹ 223 lakh (P.Y: ₹ 764 lakh) and included in Energy Sales. An amount of ₹ 76 lakh (P.Y: ₹ 381 lakh) excess realised as compared to regulated energy charges has been adjusted as Margin from Debtors and Sales after adjusting the expenses of ₹ 16 lakh (P.Y: ₹ 56 lakh) on Sale through PTC.

2.33 Other Income

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Interest Income		
Banks	11604	20596
Employees	960	645
Contractors	1540	1453
Others	71	1657
	14175	24351
Other Non-Operating Income		
Late Payment Surcharge From Beneficiaries *	58416	10729
Receipt of Maintenance of ICF	251	243
Government Grant	1	1
Foreign Currency Fluctuation Adjustment	40	40
Sale of Scrap	70	6
Miscellaneous Income #	789	4701
Total	73745	40071

* During the year CERC has amended the Regulation 59 of CERC (Terms and conditions of Tariff) Regulations, 2019 by notification dated 19.02.2021. Pursuant to the said amendment, late payment surcharge from beneficiaries has been recognised accordingly.



Details of Miscellaneous Income:

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Hire Rental Charges from Contractor	-	5
Profit on Sale of Fixed Assets	1	97
Rent Recovery from Staff/Others	81	41
Excess Provision Written Back	2	3
Liquidated Damages (LD) recovered *	311	4258
Claim Received from Insurance Company	249	22
Other Misc. Receipts	145	275
Total	789	4701

2.34 Employee Benefits Expense

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Salaries, Wages, Allowances and Benefits	25197	25058
Contribution to Provident and Other Funds	3495	3330
Leave Salary and Pension Contribution *	43	124
Welfare Expenses	2987	2329
	31722	30841
	31722	30841

Leave Salary and Pension Contribution is on account of retirement benefits of deputationists working in the company payable to their parent organisations.

Disclosures required by Ind AS 19 'Employee benefits' in respect of provision made toward various employee benefits are provided in Note no. 2.45

2.35 Finance Costs

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Interest Expenses on:		
Working Capital Loan	14	-
Foreign Currency Loans	1753	5272
Rupee Term Loans	1021	1632
Exchange differences regarded as adjustment to borrowing costs.	(5539)	17135
	(2751)	24039
Other Borrowing Costs		
Guarantee fees to Government of India	2161	2609
Finance charges on lease liabilities	99	113
Other finance charges	206	46
Total	(285)	26807

2.36 Depreciation and Amortization Expense

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
On property, plant and equipment (Note 2.1)*	39917	39459
On intangible assets (Note 2.3)	606	126
Less: Depreciation attributable to Construction (Note 2.2.1)	1196	1165
Less: Depreciation written back	-	11
Depreciation Charged to Statement of Profit & Loss	39327	38409
* Includes depreciation/ amortization of ROU assets	1714	2019

2.37 Other Expenses

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Repair and Maintenance:		
Buildings	1619	1822
Roads	142	494
Plant & Machinery	1778	1527
Office Equipments & Furnitures	34	24
Civil Works	938	819
Electro Mechanical Works	2963	2387
Vehicles	97	109
Others	872	841
	8443	8023
Rent	8	180



Rates & Taxes		25	27
Insurance		4786	4601
Security Expenses		5181	4986
Electricity Charges	1084		1240
Less:- Recovered from Employees & Contractors	<u>73</u>		<u>49</u>
		1011	1191
Travelling & Conveyance		150	690
Training and Recruitment Expenses	349		1528
Less:- Cost of Application Forms Received	<u>4</u>		<u>51</u>
		345	1477
Legal Expenses		206	208
Professional and Consultancy Charges		829	246
Communication Expenses		409	204
Printing & Stationery	204		147
Less: Receipts from Sale of Tenders	<u>8</u>		<u>6</u>
		196	141
Payment to Auditors		44	42
Advertisement & Publicity		322	365
EDP Expenses		928	338
Hiring of Vehicles		282	156
Entertainment Expenses		80	42
Expenses on Transit Camps		66	59
Books & Periodicals		44	23
Contribution to PM CARES Fund		-	500
C.S.R./ Sustainable Development Expenses		5350	3619
Stores Written Off		26	7
Loss on Disposal/Write off of Fixed Assets *		2257	569
Directors Sitting Fees		11	16
Business Promotion Expenses		69	203
Fees and subscription		1055	348
Environment & Ecology Expenses		129	134
Interest on Arbitration Awards		2877	1261
Interest to Beneficiaries		1635	6352
Miscellaneous Expenses		158	304
Exchange Rate Variation		-	75
Expenses on Regulated Power	16		56
Less: Regulated Power Adjustment - Sales	<u>16</u>		<u>56</u>
		-	-
Rehabilitation Expenses		7	-
Total		<u>36929</u>	<u>36387</u>
Stores Consumption Included in Repairs and Maintenance		1866	1284

* Loss on Disposal/Write off of Fixed Assets includes an amount of ₹ 2251 lakh on account of derecognition of capital spares from property, plant & equipment on becoming unserviceable. (Previous year includes ₹ 549 lakh on account of loss due to flashover of BUS Reactor and Generator Circuit Breaker.

Interest to beneficiaries is on account of truing up of tariff of RHPS for the period 2014-19 (P.Y. on finalisation of tariff of NJHPS for the period 2004-09 & 2014-19).

2.38 Exceptional Items

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Special Rebate to Customers (refer note no. 2.65)	5173	609
Interest on arbitration award (refer note no. 2.51)	24171	-
Total	<u>29344</u>	<u>609</u>

2.39 Net movement in regulatory deferral account balance

(₹ Lakh)

	For the Year Ended March 31, 2021	For the Year Ended March 31, 2020
Regulatory Deferral Account Debit Balance:		
Foreign exchange rate variation on foreign currency loans	(8677)	15000
Employee benefits expense (pay revision)	4313	4294
Interest on arbitration award	25782	-
O&M / Security Expenses recoverable in tariff	11465	-
Total	<u>32883</u>	<u>19294</u>



NOTE-2.40 : Disclosure on Financial Instruments and Risk Management

(1) Fair Value Measurement

A) Financial Instruments by category

(₹ Lakh)

Particulars	Notes	As at	As at
		March 31, 2021	March 31, 2020
		Amortised Cost	Amortised Cost
Financial assets			
Non-current Financial assets			
(i) Non-current investments *			
-Equity Instrument (Unquoted)	2.6	175	-
(ii) Loans (to employee & others)	2.7	8297	6829
(iii) Others:			
-Bank Deposits with more than 12 Months Maturity (including accrued interest)	2.8	3877	-
Current Financial assets			
(i) Trade receivables	2.12	52191	74446
(ii) Cash and cash equivalents	2.13	9777	31250
(iii) Bank balances other than Cash and cash equivalents	2.14	120817	202288
(iv) Short-term loans (to employee & others)	2.15	2171	1862
(v) others :			
(a) Amount recoverable from supplier & contractors	2.16	10390	9842
(b) interest receivable on investments and bank deposits	2.16	2545	6508
(c) other receivables	2.16	58768	14934
Total Financial Assets		269008	347959
Financial Liabilities			
Non Current Financial Liabilities			
(i) Long -Term Borrowings			
a) Term Loan From Domestic Bank	2.21	36680	22847
b) Term Loan from others	2.21	148888	174372
(ii) Lease Liabilities	2.22	971	1337
(iii) Deposits/Retention Money-non current	2.23	10290	1
Current Financial Liabilities			
(i) Short-term borrowings	2.26	5218	-
(ii) Lease liabilities	2.27	906	1114
(iii)Trade Payables (MSMED)	2.28	642	686
(iv)Trade Payables (other than MSMED)	2.28	3889	3305
(v) Other Current financial liabilities			
a) Current Maturity of Term Loan from Domestic bank	2.29	4456	4440
b) Current Maturity of Term Loan from others	2.29	20244	19721
c) interest accrued but not due on borrowings	2.29	354	1644
d) Deposits/Retention Money	2.29	19381	16061
e) Liability against Capital Works/Supplies	2.29	54481	16204
f) Other Payables	2.29	11550	8462
Total Financial Liabilities		317950	270194

* At Cost

Note:The company does not classify any financial asset/financial liability at fair value through profit or loss (FVTPL) & fair value through other comprehensive income (FVTOCI).

B) FAIR VALUATION MEASUREMENT

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has to classify its financial instruments into the three levels prescribed under the accounting standards.

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

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



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

(₹ Lakh)

Particulars	Note No.	As at March 31, 2021			As At March 31, 2020		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
(i) Loans (to employee & others)	2.7 & 2.15	-	10468	-	-	8691	-
(ii) Others							
-Bank Deposits with more than 12 Months Maturity (including accrued interest)	2.8	-	3877	-	-	-	-
Total Financial Assets		-	14345	-	-	8691	-
Financial Liabilities							
(i) Long-term borrowings (including Current Maturity and interest)	2.21 & 2.29	-	210622	-	-	223024	-
(ii) Lease liabilities	2.22 & 2.27	-	1877	-	-	2451	-
(iii) Deposits/Retention Money (including Current)	2.23 & 2.29	-	29671	-	-	16062	-
Total Financial Liabilities			242170			241537	

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

The group values financial assets or financial liabilities using the best and most relevant data available. Specific valuation techniques used to determine fair value of financial instruments includes:

- Use of Quoted market price or dealer quotes for similar instruments.
- Fair value of remaining financial instruments is determined using discounted cash flow analysis.

The group performs the valuation of financial assets and liabilities required for financial reporting purpose .

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

(₹ Lakh)

Particulars	Note No.	As at March 31, 2021		As At March 31, 2020	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets at Amortised Cost					
(i) Loans	2.7 & 2.15	12882	10468	11598	8691
Total Financial Assets		12882	10468	11598	8691
Financial Liabilities at Amortised Cost					
(i) Long-term borrowings (including Current Maturity and interest)	2.21 & 2.29	210622	210622	223024	223024
(ii) Lease liabilities	2.22&2.27	1877	1877	2451	2451
(iii) Deposits/Retention Money	2.23 & 2.29	29671	29671	16062	16062
Total Financial Liabilities		242170	242170	241537	241537

Significant Estimates:

Note:

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



(2) Financial Risk Management**Financial risk factors**

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Group's operations. The Group has loan, trade and other receivables, investments and cash and short-term deposits that arise directly from its operations. The Group's activities expose it to a variety of financial risks as below:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash & Cash equivalents, Trade receivables and financial assets measured at amortised cost	Aging analysis	Diversification of bank deposits, credit limits and letter of credit
Liquidity Risk	Borrowings and other facilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market Risk- Interest rate	Long term borrowings at variable rates	Sensitivity analysis	1. Diversification of fixed rate and floating rates 2. Refinancing 3. Actual interest is recovered through tariff as per CERC Regulation
Market Risk- foreign exchange	Recognised financial liabilities not denominated in INR	Sensitivity analysis	Foreign exchange rate variation on loans is recovered through tariff as per CERC regulation

i) Credit risk

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

ii) Liquidity risk.

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

iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at 31st March, 2021 and 31st March, 2020.

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

The group's risk management is carried out as per policies approved by Board of Directors from time to time.

(A) Credit Risk

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

a) Trade Receivables

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

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

b) Financial assets at amortised cost

Employee Loans: The group has given loans to employees at concessional rates as per the group's policy which have been measured at amortised cost at Balance Sheet date. The recovery of the loan is on fixed installment basis from the monthly salary of the employees. Management has assessed the past data and does not envisage any probability of default on these loans.

c) Financial instruments and cash deposits

The group considers factors such as track record, size/network of the institution/bank, market reputation and service standards and limits and policies as approved by the board of directors to select the banks with which balances and deposits are maintained. The group invests surplus cash in short term deposits with scheduled Banks.



(B) Liquidity Risk

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

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

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period.

(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Floating rate borrowings		
Term loans	1398697	572152
Foreign currency loans	95981	95981
Bank overdrafts	4782	-
Total	1499460	668133

(ii) Maturities of Financial Liabilities:

The table below provides undiscounted cash flows towards company's financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date. Balance due within 1 year is equal to their carrying balances as the impact of discounting is not significant. (refer Note 2.21, 2.22, 2.23, 2.26, 2.27, 2.28, 2.29 and 2.30 of balance sheet)

As at March 31, 2021

(₹ Lakh)

Contractual maturities of financial liabilities	Note No.	Outstanding Debt As at March 31, 2021	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Years
1. Borrowings (including interest accrued but not due)	2.21, 2.26 & 2.30	215840	30272	51889	70316	63363
2. Lease liabilities	2.22 & 2.27	1877	906	424	370	177
3. Other financial Liabilities	2.23 & 2.29	95702	85412	10290	-	-
4. Trade Payables	2.28	4531	4531	-	-	-
Total Financial Liabilities		317950	121121	62603	70686	63540

As at March 31, 2020

(₹ Lakh)

Contractual maturities of financial liabilities	Note No.	Outstanding Debt As at March 31, 2020	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Years
1. Borrowings (including interest accrued but not due)	2.21, 2.26 & 2.30	223024	25805	45972	49363	101884
2. Lease liabilities	2.22 & 2.27	2451	1114	1136	171	30
2 Other financial Liabilities	2.23 & 2.29	40728	40727	1	-	-
3. Trade Payables	2.28	3991	3991	-	-	-
Total Financial Liabilities		270194	71637	47109	49534	101914

(C) Market Risk:

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

(i) Interest rate risk and sensitivity

The group's exposure to the risk of changes in market interest rates relates primarily to the group's long term debt obligations with floating interest rates and any changes in the interest rates environment may impact future cost of borrowing. Group does not have fixed rate borrowings.

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

(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Variable Rate Borrowings (FC)	169132	194093
Variable Rate Borrowings (INR)	46354	27287
Total	215486	221380

Interest Rate Sensitivity Analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings .



(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Effect on Profit Before Tax with rise of 25 basis points	(539)	(553)
Effect on Profit Before Tax with rise of 50 basis points	(1077)	(1107)

(ii) Price Risk:
(a) Exposure

The group has no exposure to price risk as there is no investment in equity shares which are listed in recognised stock exchange and are publicly traded in the stock exchanges.

(iii) Foreign Currency Risk

The group is compensated for variability in foreign currency exchange rate through recovery by way of tariff adjustments under the CERC Tariff Regulations.

(a) Foreign Currency Risk Exposure:

The group's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows :

(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Foreign Currency	USD	USD
Financial Liabilities:		
Foreign currency loan including interest accrued but not due (₹ in Lakh)	169486	195737
Net Exposure to foreign currency risk (liabilities)	169486	195737

The above foreign currency risk exposure is for foreign currency loans taken for construction of Rampur Hydro Power Station from World Bank. As per accounting policy of the company transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date. Non-monetary items denominated in foreign currency are reported at the exchange rate prevailing at the date of transaction. ii. Exchange differences arising on translation or settlement of monetary items are recognised in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of fixed assets entered up to March 31, 2016 are adjusted to carrying cost of fixed assets.

The group has elected to avail the exemption available under IND AS 101, with regard to continuation of policy for accounting of exchange differences arising from translation of long term foreign currency monetary liabilities. However, there is no impact on the Profit & Loss of the company due to change in foreign currency rates as the same is the pass through item to the beneficiaries as per CERC guidelines applicable to the period 2014-19.

(3) Capital Management
(a) Capital Risk Management

The group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The primary objective of the group's capital management is to maximize the shareholder value. The group's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the group's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The group also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended 31st March, 2021.

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

Statement of Debt Equity Ratio

(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) Total Debt	215840	223024
(b) Total Capital	1279118	1205108
Debt Equity Ratio (a/b)	0.17	0.19

Note: For the purpose of the group's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

(b) Loan Covenants:

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

- Group shall maintain credit rating AA and if rating comes down, rate of interest shall be increased by 65 basis point for each notch below AA rating in accordance with the applicable rates.
- Debt to net worth should not exceed 2:1.

During the year the group has complied with the above loan covenants.



(c) Dividends:

(₹ Lakh)

(i) Equity Shares	As at March 31, 2021	As at March 31, 2020
Final dividend for the year 2019-20 of INR 0.50 per fully paid share approved in Sep-2020. (INR 0.65 per fully paid share for FY 2018-19 approved in Sep-2019).	19649	25544
Interim dividend for the year ended 31 st March, 2021 of INR 1.80 per fully paid share (For the year ended 31 st March 2020- INR 1.70 per fully paid share).	70736	66807
(ii) Dividend not recognised at the end of the reporting period	15719	19649

Other Explanatory Notes to Accounts

2.41 Basis of Preparation

These consolidated financial statements are prepared in compliance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable and the provisions of the Electricity Act, 2003 to the extent applicable.

Group information

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

(₹ Lakh)

Name of entity	Principal Activities	Country of Incorporation	% Equity Interest	
			As at 31.03.2021	As at 31.03.2020
1 SJVN Arun-3 Power Development Company Pvt. Ltd	Generation/ Transmission of Power	Nepal	100%	100%
2 SJVN Thermal Pvt. Ltd	Generation of Power	India	100%	100%

The Holding Company

SJVN Ltd. is the holding company of the group.

Entities in which Group has Joint arrangement / Significant Influence :

- The group has 50% interest in Kholongchhu Hydro Energy Limited.
- The group has 26% interest in Cross Border Power Transmission Company Limited.

2.42 Disclosure as per Ind AS 1 “Presentation of financial statements”

a) Changes in significant accounting policies:

During the year, following changes to the accounting policies have been made:

- Policy no. 1.21 ‘Income Taxes’ has been modified during the current financial year. Impact of the same has been disclosed in note no 2.43 & 2.44.
- Certain changes/additions have been made in the policy number 1.1,1.5,1.13, 1.16, 1.17, 1.18, 1.19, 1.20 & 1.24 for improved disclosure. However, there is no impact on the financial statements due to these changes.

2.43 Disclosure as per Ind AS 8 - ‘Accounting Policies, Changes in Accounting Estimates and Errors’

(A) Restatement for the year ended 31st March 2020 and as at 1st April 2019

In accordance with Ind AS 8, ‘Accounting Policies, Changes in Accounting Estimates and Errors’ and Ind AS 1, ‘Presentation of Financial Statements’, the Group has retrospectively restated its Consolidated Balance Sheet as at 31st March 2020 and 1st April 2019 (beginning of the preceding period) and Consolidated Statement of Profit and Loss for the year ended 31st March 2020 for the reasons as stated in the notes below. Reconciliation of financial statement line items which are retrospectively restated are as under:

Reconciliation of restated items of Consolidated Balance Sheet as at 31st March 2020 and 1st April 2019

(₹ Lakh)

Particulars	Note	As at March 31, 2020			As at April 1, 2019		
		As previously reported	Adjustments	As restated	As previously reported	Adjustments	As restated
Property, plant and equipment	(ii)	802553	2417	804970	814015	-	814015
Right-of-use-assets	(ii)	2417	(2417)	-	-	-	-
Investments accounted for using the equity method	(ii)	19511	1	19512	16030	-	16030
Deferred tax assets (net)	(i)	50963	27500	78463	30847	36564	67411
Current financial assets- Loans	(ii)	1974	(112)	1862	1711	(105)	1606
Other current financial assets	(ii)	31172	112	31284	86298	105	86403
Other Equity	(i)	784627	27501	812128	731642	36564	768206
Non-current Lease Liabilities	(ii)	1407	(70)	1337	-	-	-
Non-current Provisions	(ii)	8549	6100	14649	6986	-	6986
Other Non-current liabilities	(ii)	84564	(6100)	78464	81727	-	81727
Current Lease Liabilities	(ii)	1044	70	1114	-	-	-
Other current financial liabilities	(ii)	66288	244	66532	62840	-	62840
Other current liabilities	(ii)	5136	(244)	4892	4035	-	4035



Reconciliation of restated items of Consolidated Statement of Profit and Loss for the year ended 31st March 2020

(₹ Lakh)

Particulars	Note	As previously reported	Adjustments	As restated
Revenue from Operations	(ii)	269671	609	270280
Exceptional Items	(ii)	-	609	609
Share in profit of joint venture / associates	(ii)	557	1	558
Current tax expense	(i)	33946	382	34328
Deferred tax expense	(i)	(20116)	9064	(11052)
Profit After Tax		166121	(9445)	156676
Income tax on Other Comprehensive Income	(i)	381	382	763
Total Comprehensive Income for the year		164319	(9063)	155256
Earnings Per Equity Share (excluding net movement in regulatory deferral account) – Basic and Diluted (₹)		3.82	(0.24)	3.58
Earnings Per Equity Share (including net movement in regulatory deferral account) – Basic and Diluted (₹)		4.23	(0.24)	3.99

Notes:

i) During the year, group has recognized the deferred tax asset on account of minimum alternate tax (MAT), the benefit of which is likely to be available in future years.

ii) Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements

2.44 Disclosures as per Ind AS 12 "Income taxes"

(a) Income tax expense

i) Income tax recognised in the statement of profit and loss

(₹ Lakh)

Particulars	For the year ended	
	31 st March 2021	31 st March 2020
Current tax expense		
Current year	32012	30957
Adjustment relating to earlier years	4	17198
Pertaining to regulatory deferral account balances	5745	3371
Total Current tax expense	37761	51526

ii) Income tax recognized in other comprehensive income

(₹ Lakh)

Particulars	For the year ended					
	31 st March 2021			31 st March 2020		
	Before Tax	Tax expense/ (benefit)	Net of tax	Before Tax	Tax expense/ (benefit)	Net of tax
Net actuarial gains/(losses) on defined benefit plans	(255)	(89)	(166)	(2183)	(763)	(1420)
Total	(255)	(89)	(166)	(2183)	(763)	(1420)

b) In pursuance to section 115 BAA of the Income Tax Act, 1961 announced by Govt. Of India through Taxation Laws (Amendment) Act, 2019, the holding company has an option for a lower tax rate by foregoing certain exemptions/deductions. The holding company has not opted for this option as the group has sufficient MAT credit available to it in the future and continues to recognise the taxes on income as per the earlier provisions.

c) During the F.Y. 2019-20 the holding company opted for Vivad se Vishwas scheme for the settlement of the cases pending as on 31.01.2020. Accounting adjustment related to the scheme was carried out during the financial year 2019-20. The procedural formalities relating to the scheme have been completed during the year.

d) During the year, for the first time the group recognized cumulative MAT credit entitlement available to the group as on 01.04.2019 amounting to ₹ 36564 Lakh, as the same is likely to give future economic benefits in the form of availability of set off against future income tax liability.

2.45 Disclosure under the provisions of IND-AS 19 'Employee Benefits':-

a) Defined Contribution plans:

(i) Pension:

The group 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. However, from the F.Y. 2021-22 the company has migrated to National Pension System (NPS).

b) Defined benefit plans:

(i) Employers contribution to Provident Fund:

The group pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. 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. The liability for the same is recognized on the basis of actuarial valuation. EPFO has not yet notified the interest rate on the employees provident fund for the F.Y. 2020-21. Pending notification of the rate by the Government, actuarial valuation has been carried out considering the provisional interest rate of 8.5% recommended by Ministry of Labour. However, actual obligation, if any shall be ascertained and paid to the trust after the notification of the rate by EPFO. Further, contribution to employee pension scheme has been paid to the appropriate authorities.



Based on the actuarial valuation obtained in this respect, the following table sets out the status of the provident fund plan as at balance sheet date:

Particulars	As at March 31, 2021		As at March 31, 2020	
Net defined benefit (asset) / liability – current	(1676)		1548	

Movement in net defined benefit (asset) / liability

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Opening balance (A)	56980	47577	(55432)	(47783)	1548	(206)
Current service cost recognised in statement of profit and loss *	1903	2134	-	-	1903	2134
Interest cost/(income)	5064	4304	(6663)	(3895)	(1599)	409
Total (B)	6967	6438	(6663)	(3895)	304	2543
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	-	18	-	-	-	18
Experience adjustment	(172)	189	-	-	(172)	189
Return on Plan Assets Excluding Interest Income	-	-	(1453)	1138	(1453)	1138
Total (C)	(172)	207	(1453)	1138	(1625)	1345
Others						
Contributions by plan participants / employees	6116	5074	(6116)	(5074)	-	-
Employer contribution	-	-	(1903)	(2134)	(1903)	(2134)
Benefits Paid	(3711)	(2527)	3711	2527	-	-
Settlements/ Transfer In	247	211	(247)	(211)	-	-
Total (D)	2652	2758	(4555)	(4892)	(1903)	(2134)
Closing Balance (A+B+C+D)	66427	56980	(68103)	(55432)	(1676)	1548

* Out of the above an amount of ₹ 529 Lakh (31 March 2020: ₹ 642 Lakh) has been transferred to expenditure attributable to construction period and an amount of Nil (P.Y.: ₹ 9 Lakh) is recoverable from joint venture companies.

As per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the group has no right to the benefits either in the form of refund from the plan or lower future contribution to the plan towards the net surplus of ₹ 1676 Lakh (31 March 2020: ₹ (1548) Lakh) determined through actuarial valuation. Accordingly, group has not recognised the surplus as an asset, and the actuarial gains in 'Other Comprehensive Income', as these pertain to the Provident Fund Trust and not to the group.

Sensitivity Analysis of the Defined benefit obligation

Sr.No.	Particulars	As at March 31, 2021				As at March 31, 2020	
		Increase		Decrease		Increase	
1	Present value of obligation at the end of the period	66427		56980			
2	Change in discount rate by 0.5%	(6)	7	(11)	11		

(ii) Gratuity:

The group 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 group and is managed by a separate trust. The liability for the same is recognized on the basis of actuarial valuation.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the group's financial statements as at balance sheet date:

Particulars	As at March 31, 2021		As at March 31, 2020	
Net defined benefit (asset) / liability – Current (Funded)	597		919	

Movement in net defined benefit (asset) / liability

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Opening balance	8619	7756	(7700)	(7105)	919	651
Adjustment made in plan assets by the insurers after finalization of previous report	-	-	(919)	(659)	(919)	(659)
Adjusted Opening Balance (A)	8619	7756	(8619)	(7764)	-	(8)
Included in profit or loss for the year:						
Current service cost	532	504	-	-	532	504



Past service cost	-	-	-	-	-	-
Interest cost/(income)	585	601	(596)	(504)	(11)	97
Total amount recognised in profit or loss for the year * (B)	1117	1105	(596)	(504)	521	601
Included in other comprehensive income:						
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	(1)	-	-	-	(1)
Financial assumptions	23	679	-	-	23	679
Experience adjustment	53	(352)	-	-	53	(352)
Return on Plan Assets Excluding Interest Income	-	-	-	-	-	-
Total amount recognised in other comprehensive income* (C)	76	326	-	-	76	326
Others						
Contribution by Employer	-	-	-	-	-	-
Benefits Paid	(585)	(568)	585	568	-	-
Total (D)	(585)	(568)	585	568	-	-
Closing Balance (A+B+C+D)	9227	8619	(8630)	(7700)	597	919

* Out of the above an amount of ₹ 140 Lakh (P.Y.: ₹ 193 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 3 Lakh (P.Y.: ₹ 5 Lakh) is recoverable from joint venture companies.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31, 2021		March 31, 2020	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period		9227		8619
2	Change in discount rate by 0.5%	(375)	405	(364)	393
3	Change in Salary increase rate by 0.5%	123	(143)	138	(158)

(iii) Post retirement medical scheme:

The group has a Post retirement medical scheme, under which retired employee, spouse and eligible parents of retired employee are provided medical facilities in the group hospitals/empanelled hospitals/other hospitals. They can also avail treatment as Out-Patient subject to rules and regulations made by the group. The scheme is being managed by a separate trust created for the purpose and obligation of the group is to make contribution to the trust based on actuarial valuation. The liability towards the same is recognised on the basis of actuarial valuation.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the post retirement medical scheme and the amounts recognised in the group's financial statements as at balance sheet date:

(₹ Lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
Net defined benefit (asset) / liability – Current (Funded) #	549	1168

Includes an amount of ₹ 38 lakh (P.Y. ₹ 61 lakh) in respect of employees superannuated prior to 01.01.2007

Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	For the year ended		For the year ended		For the year ended	
	31.03. 2021	31.03. 2020	31.03. 2021	31.03. 2020	31.03. 2021	31.03. 2020
Opening balance	8098	6726	(6930)	(6438)	1168	288
Adjustment made in plan assets by the insurers after finalization of previous report	-	-	(1107)	(256)	(1107)	(256)
Adjusted Opening Balance (A)	8098	6726	(8037)	(6694)	61	32
Included in profit or loss for the year :						
Current service cost	389	334	-	-	389	334
Past service cost	-	-	-	-	-	-
Interest cost/(income)	549	521	(523)	(483)	26	38
Total amount recognised in profit or loss for the year * (B)	938	855	(523)	(483)	415	372
Included in other comprehensive income:						
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	(7)	-	-	-	(7)
Financial assumptions	30	749	-	-	30	749
Experience adjustment	115	30	-	-	115	30
Return on Plan Assets Excluding Interest Income	-	-	-	-	-	-
Total amount recognised in other comprehensive income* (C)	145	772	-	-	145	772
Others						
Contribution by Employer	-	-	-	-	-	-
Benefits Paid	(265)	(255)	193	247	(72)	(8)
Total (D)	(265)	(255)	193	247	(72)	(8)
Closing Balance (A+B+C+D)	8916	8098	8367	(6930)	549	1168

* Out of the above an amount of ₹ 123 Lakh (31 March 2020: ₹ 222 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 3 Lakh (P.Y.: ₹ 4 Lakh) is recoverable from joint venture companies.



Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31, 2021		March 31, 2020	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period		8916		8098
2	Change in discount rate by 0.5%	(519)	534	(471)	485
3	Change in Medical cost rate by 0.5%	539	(525)	489	(477)

(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 group. The liability towards the same is recognised on the basis of actuarial valuation.

(₹ Lakh)

Particulars	As at March 31,2021	As at March 31,2020
Net defined benefit (asset) / liability – Current (Non -funded)	10	6
Net defined benefit (asset) / liability – Non - Current (Non -funded)	215	171
Total Net defined benefit (asset) / liability – (Non -funded)	225	177

Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation	
	For the year ended	
	31.03. 2021	31.03. 2020
Opening balance (A)	177	150
Included in profit or loss for the year / EAC:		
Current service cost	15	12
Past service cost	-	-
Interest cost/(income)	12	12
Total amount recognised in profit or loss for the year / EAC* (B)	27	24
Included in other comprehensive income:		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Demographic assumptions	-	-
Financial assumptions	1	10
Experience adjustment	40	7
Return on Plan Assets Excluding Interest Income	-	-
Total amount recognised in other comprehensive income* (C)	41	17
Others		
Contribution by Employer	-	-
Benefits Paid	(20)	(14)
Total (D)	(20)	(14)
Closing Balance (A+B+C+D)	225	177

* Out of the above an amount of ₹ 18 Lakh (31 March 2020: ₹ 8 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 1 Lakh (P.Y.: Nil) is recoverable from joint venture companies.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31, 2021		March 31, 2020	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period		225		177
2	Change in discount rate by 0.5%	(9)	9	(7)	7
3	Change in Cost increase rate by 0.5%	9	(9)	7	(7)

(v) Service Reward on Retirement:

Gift at the time of retirement is given to the employee as per the rules of the group. The liability towards the same is recognised on the basis of actuarial valuation.

(₹ Lakh)

Particulars	As at March 31,2021	As at March 31,2020
Net defined benefit (asset) / liability – Current (Non -funded)	12	6
Net defined benefit (asset) / liability – Non - Current (Non -funded)	277	221
Total Net defined benefit (asset) / liability – (Non -funded)	289	227



Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation	
	For the year ended	
	31.03.2021	31.03.2020
Opening balance (A)	227	169
Included in profit or loss / EAC for the year:		
Current service cost	20	16
Past service cost	-	-
Interest cost/(income)	15	13
Total amount recognised in profit or loss / EAC for the year* (B)	35	29
Included in other comprehensive income:		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Demographic assumptions	-	-
Financial assumptions	1	15
Experience adjustment	51	14
Return on Plan Assets Excluding Interest Income	-	-
Total amount recognised in other comprehensive income* (C)	52	29
Others		
Contribution by Employer	-	-
Benefits Paid	(25)	-
Total (D)	(25)	-
Closing Balance (A+B+C+D)	289	227

* Out of the above an amount of ₹ 13 Lakh (31 March 2020: ₹ 11 Lakh) has been transferred to expenditure attributable to construction period.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31, 2021		March 31, 2020	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period		289		227
2	Change in discount rate by 0.5%	(13)	14	(9)	10
3	Change in Cost increase rate by 0.5%	14	(13)	10	(9)

(vi) Plan Assets

Plan assets comprise the following :

(₹ Lakh)

Particulars	As at 31 st March 2021			As at 31 st March 2020		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
State Govt. Securities	27945	-	27945	21967	-	21967
Central Govt. Securities	7135	-	7135	6754	-	6754
Corporate bonds and term deposits	25940	-	25940	22348	-	22348
Equity and equity-linked investments	6803	-	6803	3760	-	3760
Investments with insurance companies	-	15547	15547	-	12957	12957
Others	-	94	94	-	81	81

Actual Return on Plan assets is ₹ 9235 Lakh (P.Y. ₹ 3744 Lakh)

(vii) Key Actuarial assumptions for Actuarial Valuation:

(₹ Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Mortality Table	IALM (2012-14)	IALM (2012-14)
Discount Rate	6.75%	6.78%
Future Salary Increase	6.50%	6.50%

(viii) Risk exposure

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

- A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Medical cost increase- Increase in actual medical cost per retiree will increase the plans liability. Increase in medical cost per retiree rate assumption will also increase the liability.
- C) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- D) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.



- E) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
 F) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(ix) **The expected maturity analysis of Gratuity, TTA/Settlement allowance on retirement, Employee Provident fund, Retirement gifts and Post Retirement Medical Scheme.**

Particulars 31-Mar-21				(₹ Lakh)
	Less than a year	Between 1-5 years	Over 5 years	Total
Gratuity	865	2866	5496	9227
TTA/Settlement allowance on retirement (exit)	10	62	153	225
Employee Provident fund	10987	17829	37611	66427
Retirement Gifts/Long service award liability	12	85	192	289
Post Retirement Medical Scheme	222	1291	7403	8916
TOTAL	12096	22133	50855	85084
Particulars 31-Mar-20				
Gratuity	637	2493	5489	8619
TTA/Settlement allowance on retirement (exit)	5	44	128	177
Employee Provident fund	6989	15008	34983	56980
Retirement Gifts/Long service award liability	7	57	163	227
Post Retirement Medical Scheme	204	1155	6739	8098
TOTAL	8716	21349	53013	83078

c) **Other Long Term Employee Benefit Plans**

The company provides for earned leave benefit and half pay leave to the employees of the company which accrue annually at 30 days and 20 days respectively. Earned leave (EL) and Half pay leave (HPL) are en-cashable subject to limits and other conditions specified for the same. The scheme is un-funded and liability for the same is recognised on the basis of actuarial valuations. During the year, provision amounting to ₹ 1534 Lakh has been made on the basis of actuarial valuation at the year end and debited to statement of profit and loss (P.Y. ₹ 1834 Lakh).

2.46 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'.

Particulars			(₹ Lakh)
	Year Ended March 31, 2021	Year Ended March 31, 2020	
(i) Amount charged to Statement of Profit and Loss excluding depreciation:			
- As FERV	-	75	
- As Borrowing cost*	(5539)	17135	
(ii) Amount charged to Expenditure Attributable to Construction:			
- As FERV	102	-	
- As Borrowing cost	-	-	
(iii) Amount adjusted by addition to carrying amount of fixed assets	-	-	

* There is however no impact on profitability of the group, as the impact of change in foreign exchange rates is recoverable from beneficiaries in terms of prevailing CERC (Terms & Conditions of tariff) Regulations.

2.47 Disclosure as per Ind AS 23 'Borrowing Cost'

Borrowing costs capitalised during the year is ₹ 4155 Lakh (P.Y: ₹ 4596 Lakh).

2.48 Information on 'Related Party Disclosures' as per Ind AS 24 is provided as under:

a) **List of Related Parties –**

i) **Directors & Key Management Personnel:**

Parent Company

Shri Nand Lal Sharma	Chairman and Managing Director (CMD)
Shri Rakesh Kumar Bansal	Director (Electrical) upto 31.07.2020
Smt. Geeta Kapur	Director (Personnel)
Shri Surinder Pal Bansal	Director (Civil)
Shri Akhileshwar Singh	Director (Finance)
Shri Susheel Sharma	Director (Electrical) w.e.f 01.08.2020
Shri Aniruddha Kumar	Nominee Director, Government of India upto 10.06.2020
Shri Tanmay Kumar	Nominee Director, Government of India w.e.f 11.06.2020
Shri Ram Subhag Singh	Nominee Director, Government of Himachal Pradesh
Shri Subhash Chander Negi	Independent Director
Shri Rajnish Pande	Independent Director
Shri Soumendra Das	Company Secretary



Subsidiary Companies:

a) SJVN Thermal Pvt. Ltd.

Shri Nand Lal Sharma	Chairman
Shri Akhileshwar Singh	Director
Smt. Geeta Kapur	Director
Shri Surinder Pal Bansal	Additional Director
Shri Susheel Sharma	Director
Shri Sanjeev Sood	Chief Executive Officer
Shri Surendra Lal Sharma	Chief Financial Officer
Shri Arun Kumar Sharma	Company Secretary

b) SJVN Arun-3 Power Development Company Pvt. Ltd

Sh. Nand Lal Sharma	Chairman and Managing Director
Smt. Geeta Kapur	Director (Personnel)
Sh. Surinder Pal Bansal	Director (Civil)
Sh. Rakesh Kumar Bansal	Director (Electrical) upto 31.07.2020
Sh. Akhileshwar Singh	Director (Finance)
Sh. Susheel Sharma	Director (Electrical) w.e.f. 01.08.2020
Sh. Arun Dhiman	CEO
Sh. Jitendra Yadav	CFO
Sh. Sujit Jha	Company Secretary

ii) Entities where control / significant influence exists

Subsidiaries:

Name of Entity	Principal Place of Operation / Country of Incorporation	Principal activities	% of Shareholding/ voting Power	
			As at March 31, 2021	As at March 31, 2020
SJVN Arun-3 Power Development Company Pvt. Ltd (Incorporated in Nepal)	Nepal	Power Generation	100%	100%
SJVN Thermal Pvt. Ltd (Incorporated in India)	India	Power Generation	100%	100%

iii) Joint Ventures:

Name of Entity	Principal Place of Operation / Country of Incorporation	Principal activities	% of Shareholding/ voting Power	
			As at March 31, 2021	As at March 31, 2020
Cross Border Power Transmission Company Ltd.	India	Power Transmission	26%	26%
Kholongchhu Hydro Energy Limited	Bhutan	Power Generation	50%	50%

iv) Entities under the control of same government:

The Holding company is a Central Public Sector Undertaking (CPSU) controlled by Central Government by holding majority of the shares. Government of Himachal Pradesh also holds more than 25% shares in the company (Note No.2.19). Pursuant to paragraph 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. Transactions with these parties are carried out at market terms at arm length basis. The group has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the group has significant transactions include but not limited to BHEL Ltd., Indian Oil Corporation Ltd., NBCC Limited.

v) List of Other Related Parties:

Name of Other Related Parties	Principal place of operation	Nature of Relationship
NJPC Ltd. Employees Provident Fund Trust	India	Post-employment benefit plan of SJVN
NJPC Ltd. Employee Gratuity Fund	India	Post-employment benefit plan of SJVN
SJVN Employees Defined Contribution Pension Fund.	India	Post-employment benefit plan of SJVN
SJVN Post Retirement Medical Scheme Trust (PRMS)	India	Post-employment benefit plan of SJVN
SJVN Foundation Trust	India	CSR-Trust
Sh. Romesh Kumar Kapoor	India	Relative of Director



Transactions with related parties-

i) Transactions with subsidiaries, Joint Ventures and Key Management Personnel (KMP) and their relative are as follows.

(₹ Lakh)

Particulars	Joint Ventures Companies		Key Management Personnel (KMP) & their relative	
	F.Y. 2020-21	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2019-20
A. Transactions During the Year				
1. Investment in Share Capital				
a) Kholongchhu Hydro Energy Limited	2390	2924		
2. Dividend				
a) Cross Border Power Transmission Company Ltd.	265	-		
3. Sifting Fees			11	16
4. Remuneration to relatives of directors			80	76
B. Outstanding Balances at the year end.				
1. Amount Recoverable				
a) Kholongchhu Hydro Energy Limited (KHEL)	117	112		

Terms and conditions of transactions with related parties

- Transactions with the related parties are made on normal commercial terms and conditions and at arm's length price.
- The group is seconding its personnel to joint venture companies as per terms and conditions agreed between the companies, which are similar to those applicable for secondment of employees to other companies and institutions. The cost incurred by the Company towards superannuation and employee benefits are recovered from these companies.
- Outstanding balances of joint venture companies at the year-end are unsecured and settlement occurs through banking transaction. The group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

ii) Remuneration to Directors & Key Managerial Personnel

(₹ Lakh)

	Year ended 31.03.2021		Year ended 31.03.2020	
	(i) Short Term Employee Benefits		821	
(ii) Post Employment Benefits		20		20
(iii) Other Long Term Employee Benefits		46		53
Total		887		949

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

Loans to/from Key Management Personnel (KMP)

(₹ Lakh)

Particulars	Key Management Personnel (KMP)	
	31.03.2021	31.03.2020
Loan to KMPs		
Beginning of the Year	77	7
Loans advanced	25	76
Loan repayments received	12	8
Interest charged	5	3
Interest received	4	1
End of the year	91	77

Note: Amount recoverable from JV is ₹ 117 Lakh (Previous Year ₹ 112 Lakh). Loan from Key Management Personnel (KMP), their relatives & enterprise over which KMPs have significant influence is NIL (Previous Year NIL)

iii) Transaction with Trust created for Post employment Benefit plans/CSR of SJVN are as follows:-

(₹ Lakh)

Sr. No.	Name of the Trust	Nature of Transaction	2020-21	2019-20
1	Nathpa Jhakri Power Corporation Ltd. Employees Provident Fund Trust	Contributions during the year	8241	8647
2	NJPC Ltd. Employee Gratuity Fund	Contributions during the year	919	651
3	SJVN Employees Defined Contribution Pension Fund.	Contributions during the year	2269	3133
4	Fund for SJVN PRMS	Contributions during the year	1108	175
5	SJVN Foundation Trust	Contributions during the year	5350	3619



iv) Transaction with Government and the related parties under the control of the same government:

(₹ Lakh)

Sr. No.	Name of the Related Party	Nature of transaction by the Group	2020-21	2019-20
A. Transactions during the year				
1	BHEL Ltd.	Purchase of spares / services	102	506
2	Indian Oil Corporation Ltd.	Purchase of fuel	52	129
3	POSOCO	RLDC Charges	99	194
4	BSNL	Services	101	61
5	Central Electronics Ltd.	Purchase of material / services	582	421
6	Himachal Tourism	Purchase of material / services	98	97
7	LIC	Insurance Policy	148	89
8	NBCC Ltd.	Purchase of material / services	495	186
9	EdCIL (India) Ltd.	Services	-	233
10	NTPC Limited	Consultancy Services	3236	-
11	RITES Limited	Consultancy Services	1009	-
12	Canara Bank Ltd.	Financing Charges	1128	-
13	India Infrastructure Finance Company Ltd.	Financing Charges	952	-
14	State Bank of India	Financing Charges & Consultancy Services	3021	-
15	SBI Capital Markets Ltd.	Consultancy Services	997	-
16	Other Entities	Purchase of material / services	1021	217
B. Outstanding Balances				
1. Advance Outstanding				
A	BHEL Ltd.	Central Public Sector Undertaking	-	77
B	BSNL	Central Public Sector Undertaking	2	8
C	Other Entities	Central & State Public Sector Undertakings	694	230
2. Amount Payable to				
A	BHEL Ltd.	Central Public Sector Undertaking	1548	1716
B	POSOCO	Central Public Sector Undertaking	8	8
C	BSNL	Central Public Sector Undertaking	34	13
D	Central Electronics Ltd	Central Public Sector Undertaking	7	421
E	RITES Limited	Central Public Sector Undertaking	14	-
F	SBI Capital Markets Ltd.	Central Public Sector Undertaking	458	-
G	Other Entities	Central & State Public Sector Undertakings	373	3

v) Individually significant transactions

(₹ Lakh)

Particulars	Nature of relationship	2020-21	2019-20
Equity Contributions Made			
Kholongchhu Hydro Energy Ltd.	Joint Venture Company	2390	2924
Dividend Paid during the year			
Govt. Of India	Shareholder having control over company	54160	55654
Govt. Of Himachal Pradesh	Shareholder having control over company	24265	24793
Guarantee Fee on Foreign Currency Loans paid			
Govt. Of India	Shareholder having control over company	2161	2609
Land Acquisition			
Govt. Of Himachal Pradesh	Shareholder having control over company	9000	-

2.49 Disclosure as per Ind AS 33 'Earnings Per Share':-

Calculation of Earnings Per Share (Basic and Diluted) is as under:

(₹ Lakh)

	Year Ended 31.03.2021	Year Ended 31.03.2020
Net Profit after Tax but before Regulatory Income used as numerator (₹ Lakh)	137423	140753
Net Profit after Tax and Regulatory Income used as numerator (₹ Lakh)	164561	156676
Weighted Average number of equity shares used as denominator	3929795175	3929795175
Earnings per Share before Regulatory Income (₹)	3.50	3.58
- Basic & Diluted		
Earnings per Share after Regulatory Income (₹)	4.19	3.99
- Basic & Diluted		
Face value per share (₹)	10	10



2.50 Disclosure as per Ind AS 36 'Impairment of Assets'

In the opinion of the management there is no indication of any significant impairment of assets during the year as per Ind AS 36.

2.51 Disclosure as per Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

A. Movement in Provisions

As at March 31, 2021

(₹ Lakh)

Particulars	As at April 1, 2020	For the year			As at March 31, 2021
		Additions	Write Back/ Transfer	Utilisation	
Performance Related Pay	6326	7319	-	6326	7319
Corporate Social Responsibility	74	-	-	74	-
Interest on Arbitration Awards	14010	27049	-	-	41059
Community Development	6100	-	-	-	6100
Others	891	-	-	-	891
Total	27401	34368	-	6400	55369

As at March 31, 2020

(₹ Lakh)

Particulars	As at April 1, 2019	For the year			As at March 31, 2020
		Additions	Write Back/ Transfer	Utilisation	
Performance Related Pay	6055	6273	53	5949	6326
Corporate Social Responsibility	-	74	-	-	74
Interest on Arbitration Awards	12749	1261	-	-	14010
Community Development	-	6100	-	-	6100
Others	891	-	-	-	891
Total	19695	13708	53	5949	27401

a) Provision for Performance Related Pay

Short-term Provision has been recognised in the accounts towards Performance Related Pay/ incentive to employees on the basis of management estimates as per company's rules in this regard which are based on the guidelines of the Department of Public Enterprises, Government of India

b) Provision for Interest on Arbitration Awards

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

c) Community Development

As per Para 7 of the Environment Clearance order dated 28.02.2017, a CSR budget of ₹ 6100 lakh was allocated to be spent in 10 years by SJVN Thermal Pvt. Ltd. The group has made a provision for the same amount in the financial year 2019-20. Based on Investment approval dated 08.03.2019 and Ministry of Environment, Forest and Climate Change orders for Environment Clearance dated 28.02.2017, detailed draft plan towards Rehabilitation and Resettlement stands submitted for approval of the District Magistrate, Buxar, Bihar towards Community Development Plan. Whereas committee in this regard has been formed by the District Administration, the approval of the plan is yet to be accorded.

d) Provision-Others

This includes mainly provision made towards expenditure on Local Area Development Authority in respect of Rampur Hydro Power Station.

e) In respect of provision for cases under litigation, outflow of economic benefits is dependent upon the final outcome of such cases.

f) In all these cases, outflow of economic benefits is expected within next one year.

B. Contingent Liabilities:-

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

(₹ Lakh)

Particulars	As at 31.03.2021	As at 31.03.2020
Capital Works	53652	61516
Land Compensation	2506	2753
Disputed Income Tax Demand	1246	-
Others	20109	15000
Total	75513	79269

(i) Capital works

Contractors have lodged claims aggregating to ₹ 96866 Lakh (previous year ₹ 62342 Lakh) against the group on account of rate & quantity deviation, cost relating to extension of time and idling charges due to stoppage of work/delays in handing over the site etc. These claims are being contested by the group as being not admissible in terms of provisions of the respective contracts or are laying at arbitration tribunal/other forums/under examination with the Group.



(ii) Land Compensation cases

In respect of land acquired for the projects, some of the land oustees have filed claims for higher compensation amounting to ₹ 2506 lakh (P.Y.: ₹ 2753 lakh) before various authorities/courts. Group has shown the same as contingent liability as possibility of any outflow in settlement of these claims is considered as remote.

(iii) Disputed Income Tax Demand

During the year Income Tax Department has raised a demand of ₹ 1246 lakh (P.Y.: Nil) for A.Y 2018-19. The group is contesting the case & filed an appeal with CIT (Appeals).

(iv) Others

Other Contingent liability is mainly in respect of bills discounted with banks against trade receivables amounting to ₹ 20107 (P.Y.: ₹ 15000 lakh). In case of any claim on the group from the banks in this regard, entire amount shall be recoverable from the beneficiaries along with surcharge.

The above is summarized as at 31.03.2021 below:

								(₹ Lakh)
Sl. No.	Particulars	Claims as on 31.03.2021	Provision against the claims	Contingent liability as on 31.03.2021	Addition of Contingent Liability for the period	Adjustment/Deduction in Contingent Liability for the period	Contingent liability as on 31.03.2020	
1.	Capital Works	96866	43214	53652	9005	16869	61516	
2.	Land Compensation	2506	-	2506	-	247	2753	
3.	Income Tax Demand	1246	-	1246	1246	-	-	
4.	Others	20109	-	20109	20109	15000	15000	
	Total	120727	43214	77513	30360	32116	79269	

(b) The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where the amount cannot be quantified.

(c) It is not practicable to ascertain and disclose the uncertainties relating to outflow in respect of contingent liabilities.

(d) The group's management does not expect that the above claims/obligations (including under litigation), when ultimately concluded and determined, will have a material and adverse effect on the group's results of operations or financial condition.

C. Detail of Contingent Assets:

			(₹ Lakh)	
Particulars	As on 31.03.2021	As on 31.03.2020		
1) JHC				
Pertaining of demand of SJVN for recovery of cost in lieu of non returning of dewatering equipment.	43	43		
2) Late Payment Surcharge due from beneficiaries	1705	60951		
3) Counter Claim for Interest accrued on advance paid to JHC	-	10367		
4) Revenue to the extent not recognised in respect of hydro power stations	34741	9934		
5) Insurance claims	445	602		
6) Compensation from contractors in respect of renewable power projects	12380	393		
7) Interest Recoverable from Contractors	4668	3960		
Total	53982	86250		

(a) CERC Tariff Regulations and PPA/MoU signed with power purchasers provide for levy of Late Payment Surcharge by generating company in case of delay in payment by beneficiaries beyond specified number of days from the date of presentation of bill. However, in view of significant uncertainties in the ultimate collection from some of the beneficiaries against partial bills as estimated by the management, an amount of ₹ 1705 lakh as on 31 March 2021 (P.Y.: ₹ 60951 lakh) has not been recognised.

(b) The company has filed a truing up petition with CERC in respect of Nathpa Jhakri Hydro Power Station for the period 2014-19. Tariff orders for 2019-24 in respect of hydro power stations are also pending. The additional revenue likely to accrue on account of tariff revision which has not been recognised due to significant uncertainty of approval has been shown as contingent assets

(c) Amount recoverable from contractors is on account of delay in execution of EPC contract in respect of Sadla wind power project. This also includes compensation for generation loss due to non achievement of design energy in respect of renewable power projects.

(d) Interest recoverable from contractors is on account of the principal amount of the claim filed by the company before the Hon'ble High Court of Himachal Pradesh against contractors of Rampur Hydro Power Station in respect of hydro allowance.

D. Commitments

a) Estimated amount of Capital and other commitments not provided for is as under:

			(₹ Lakh)	
Particulars	As on 31.03.2021	As on 31.03.2020		
Estimated amount of contracts remaining to be executed on capital account and not provided for	1127520	1157112		
Other commitments (on account of Repair & Maintenance and Supply of Material etc)	7005	12582		
Total	1134525	1169694		

The group has entered into agreement with Forest Department, National Park and Wildlife Conservation Department, Ministry of Forest and Soil Conservation, Government of Nepal, on 23rd August 2017 and 06th February 2018. As per the agreements, a total of 123.218 hectare of forest land has been leased for project construction by Government of Nepal. Out of this 123.218 hectare, 79.04 hectare lies in 9 community forests of District Forest area while remaining 44.178 hectare lies in 8 community forests of Makalu Barun National Park area. The group should plant 8272 numbers of plants within a said land area of 123.18 hectares. The cost of such plantation cannot be estimated reliably as on date.



- b) The group has commitments of ₹ 20957 Lakh (P.Y.: ₹ 23347 Lakh) towards further investment in the joint venture entities as at 31 March 2021.
- c) Group's commitment in respect of lease agreements has been disclosed in Note no. 2.56.

2.52 Disclosure as per Ind AS 108 'Operating Segments'

- a) Operating Segments are defined as components of an enterprise for which financial information is available that is evaluated regularly by the Management in deciding how to allocate resources and assessing performance.
- b) Electricity generation is the principal business activity of the group. Other operations viz., Contracts, Project Management and Consultancy works do not form a reportable segment as per the Ind AS – 108 on 'Segment Reporting'.
- c) The group is having a single geographical segment as all its Power Stations are located within the Country.
- d) Information about Major Customers:

Sr. No.	Name of Customer	Revenue from Customers (₹ Lakh)		Revenue from customer as a % of total revenue from sales	
		F.Y. 2020-21	F.Y. 2019-20	F.Y. 2020-21	F.Y. 2019-20
1	Govt. of H.P.	64151	71017	25.81	26.28
2	PDD, J&K	32455	30377	13.06	11.24
3	U.P. Power Corporation	46254	52841	18.61	19.55
4	Punjab State Power Corporation Ltd	22891	25310	9.21	9.36
	Total	165751	179545	66.69	66.43

2.53 Disclosure as per Ind AS 112 'Disclosure of Interest in Other Entities':

a) Subsidiaries

The holding company's subsidiaries as at 31st March, 2021 are set out below. The equity share capital of these companies is held directly by the holding company. The country of incorporation or registration is also their principal place of business.

	Name of Entity	Principal Activities	Country of Incorporation	% Equity Interest	
				As at March 31, 2021	As at March 31, 2020
1	SJVN Arun-3 Power Development Company Pvt. Ltd	Generation/ Transmission of Power	Nepal	100%	100%
2	SJVN Thermal Pvt. Ltd	Generation of Power	India	100%	100%

b) Interest in joint ventures

The group's interest in joint ventures as at 31st March, 2021 are set out below which in the opinion of the management, are material to the group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of Business	% of ownership interest	Relationship	Quoted Fair Value		Carrying amount	
				(₹ Lakh)			
				31 March 2021	31 March 2020	31 March 2021	31 March 2020
Kholongchhu Hydro Energy Limited	Bhutan	50	Joint Venture (1)	*	*	19043	16653
Cross Border Power Transmission Company Limited	India	26	Joint Venture (2)	*	*	2978	2859

* Unlisted entity- no quoted price available

- The Group has 50% interest in Kholongchhu Hydro Energy Limited, which is a joint venture with Druk Green Power Corporation Limited of Bhutan. The joint venture is involved in the construction and operation of Kholongchhu Hydro Power Project in Bhutan.
- The Group has 26% interest in Cross Border Power Transmission Company Limited. The Company is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is principally engaged in establishment, operation & maintenance and transfer of Indian Portion of Indo-Nepal Cross Border Transmission Line from Muzaffarpur to Dhalkebar.

Summarised balance sheet as at 31 March 2021 using the Equity Method :

	(₹ Lakh)			
	Kholongchhu Hydro Energy Limited		Cross Border Power Transmission Company Limited	
	As at 31.03.2021 (Unaudited)	As at 31.03.2020 (Unaudited)	As at 31.03.2021 (Unaudited)	As at 31.03.2020 (Audited)
Current Assets				
Cash and cash equivalents	740	1391	1824	1889
Other Assets	84	84	3651	3337
Total Current Assets	824	1475	5475	5226
Total Non-Current Assets	36323	32873	20331	21478
Current liabilities				
Current financial liabilities (excluding trade and other payables and provisions)	225	269	1555	1586
Other Liabilities	402	710	138	213
Total Current Liabilities	627	979	1693	1799
Non-current liabilities				
Non-current financial liabilities (excluding trade and other payables and provisions)	99	88	12156	13436
Other Liabilities	-	-	505	472
Total Non-current Liabilities	99	88	12661	13908
Net Assets	36421	33281	11452	10997



Reconciliation to carrying amounts

(₹ Lakh)

	Kholongchhu Hydro Energy Limited		Cross Border Power Transmission Company Limited	
	31.03.2021	31.03.2020	31.03.2021	31.03.2020
Opening net assets	33281	26408	10997	8850
Profit/(loss) for the year	-	-	1474	2147
Dividends paid	-	-	(1019)	-
Equity infused	3140	6873	-	-
Closing net assets	36421	33281	11452	10997
Group's share in %	50	50	26	26
Group's share in INR	18211	16641	2978	2859
Other Adjustments*	832	12	-	-
Carrying amount	19043	16653	2978	2859

* Other adjustments is on account of additional equity contribution by the group where contribution by other co-venturer is pending.

Summarised statement of Profit and Loss using Equity Method:

(₹ Lakh)

	Kholongchhu Hydro Energy Limited		Cross Border Power Transmission Company Limited	
	31.03.2021 (Unaudited)	31.03.2020 (Unaudited)	31.03.2021 (Unaudited)	31.03.2020 (Audited)
Revenue	-	-	589	658
Interest Income/Other Income	-	-	2754	3421
Cost of raw material and components consumed	-	-	-	-
Depreciation & amortization expense	-	-	3	2
Finance cost	-	-	1361	1490
Employee benefits expense	-	-	134	115
Other expense	-	-	371	325
Profit before tax	-	-	1474	2147
Profit for the year (continuing operations)	-	-	1474	2147
Total comprehensive income for the year (continuing operations)	-	-	1474	2147

2.54 Disclosure relating to creation of Regulatory Deferral Accounts as per Ind AS 114:

- The group is mainly engaged in generation and sale of electricity. The price to be charged by the group for electricity sold to its customers is determined by the CERC which provides extensive guidance on the principles and methodologies for determination of the tariff for the purpose of sale of electricity. The tariff is based on allowable costs like interest, depreciation, operation & maintenance expenses, etc. with a stipulated return. This form of rate regulation is known as cost-of-service regulations which provide the group to recover its costs of providing the goods or services plus a fair return.
- As per the CERC Tariff regulations any gain or loss on account of exchange rate variation during the construction period shall form part of the capital cost till the declaration of commercial operation date. Exchange differences arising from settlement/translation of monetary item denominated in foreign currency to the extent recoverable from or payable to beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized on an undiscounted basis as regulatory deferral account debit/credit balance by credit/debit to movements in regulatory deferral account balances and adjusted from the year in which the same becomes recoverable from or payable to the beneficiaries.
- Pay revision of employees of CPSUs has revised from 1st January, 2017. CERC Tariff regulations 2014-19 provides that the impact of actual increase in employee cost on account of wage revision of operational power stations is recoverable from beneficiaries in future through Tariff. Accordingly, additional expenditure on employee benefit due to pay revision to the extent charged to the Statement of Profit & Loss or to the Other Comprehensive Income and recoverable from beneficiaries in subsequent periods as per Tariff Regulations are being recognized as Regulatory Deferral Account Balances.
- During the year, group has received an arbitration award pertaining to Nathpa Jhakri Hydro Power Station (NJHPS). Accordingly the principal amount of award including interest during construction period has been capitalized and interest thereafter has been charged to the statement of profit and loss. The interest charged to profit & loss account has been included in regulatory deferral account debit balance as the same is recoverable from beneficiaries through tariff in future. The group has filed an appeal before the Hon'ble High Court of Delhi against the award.
- Risks associated with future recovery/reversal of regulatory deferral account balances:
 - Demand risk due to changes in consumer attitudes, the availability of alternative sources of supply.
 - Regulatory risk on account of changes in regulations and submission or approval of rate-setting application or the entity's assessment of the expected future regulatory actions.
 - Other market risks, if any.



The group has created regulatory assets and recognized corresponding regulatory income up to period ended 31.03.2021 as under:

(₹ Lakh)

Regulatory asset created in relation to:	Up to FY 2019-20	For the year ended 31.03.2021	Total up to 31.03.2021
Exchange rate variation regarded as Borrowing Costs	33828	(8677)	25151
Employee Benefit expense (Pay- revision w.e.f 01.01.2017)	19459	4313	23772
Interest on arbitration award	-	25782	25782
O&M / Security Expenses recoverable in tariff	-	11465	11465
Total	53287	32883	86170

The group expects to recover the carrying amount of regulatory deferral account debit balance over the life of the projects.

2.55 Disclosure as per Ind AS 115, "Revenue from contract with customers"

I. Nature of goods and services

The revenue of the group comprises of income from energy sales and consultancy services. The following is a description of the principal activities:

a) Revenue from energy sales

The major revenue of the group comes from energy sales. The group sells electricity to bulk customers, mainly electricity utilities owned by State Governments as well as private discoms operating in States. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiaries.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for energy sales:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Energy Sales	The group recognises revenue from energy sales once the electricity has been transmitted to the customers and control over the product is transferred. The tariff for computing revenue from energy sales is determined in terms of CERC Regulations as notified from time to time. The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

b) Consultancy Services

The group undertakes consultancy for domestic and international clients in the different phases of power plants viz. Engineering, construction management, management consultancy etc.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for consultancy services:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Consultancy services	The group recognises revenue from consultancy services in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to actual progress/ technical assessment of work executed, in line with the terms of respective consultancy contracts. The amounts are billed as per the terms of contracts and are payable within contractually agreed credit period.

II. Disaggregation of revenue

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

(₹ Lakh)

Particulars	Generation of energy For the year ended		Consultancy For the year ended		Total For the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Geographical markets						
India	244807	241979	-	641	244807	242620
Others	-	-	-	-	-	-
	244807	241979	-	641	244807	242620
Timing of revenue recognition						
On transfer of ownership and control of Products and services	244807	241979	-	641	244807	242620
	244807	241979	-	641	244807	242620

III. Reconciliation of revenue recognised with contract price:

(₹ Lakh)

Particulars	As at 31 March 2021
Contract price	242205
Adjustments for:	
Regulated Power Adjustment-Margin	(76)
Regulated Power Adjustment – Expenses	(16)
Advance Against Depreciation	3224
Rebates	(530)
Revenue recognised	244807



IV. Contract balances

Contract assets are recognised when there is excess of revenue recognised over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers which are referred as “advances from customers”.

The following table provides information about trade receivables, unbilled revenue, amount receivable for late payment surcharge and advances from customers:

Particulars	(₹ Lakh)			
	As at 31 March 2021		As at 1 April 2020	
	Current	Non-current	Current	Non-current
Trade receivables	52191	-	74446	-
Unbilled revenue	25321	-	14597	-
Amount receivable for late payment surcharge	33179	-	-	-
Advances from customers	3695	-	44	-

V. Transaction price allocated to the remaining performance obligations

Performance obligations related to sale of energy:

Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations, where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. Revenue from sale of energy is recognised once the electricity has been delivered to the beneficiaries. Beneficiaries are billed on a periodic and regular basis. Therefore, transaction price to be allocated to remaining performance obligations cannot be determined reliably for the entire duration of the contract.

Performance obligations related to Consultancy:

For consultancy, there is no remaining performance obligations which shall be received over the contract period in proportion of the services provided by the Group.

VI. Practical expedients applied as per Ind AS 115:

- The group has not disclosed information about remaining performance obligations that have original expected duration of one year or less and where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.
- The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the company has not adjusted any of the transaction prices for the time value of money.

VII. The group has not incurred any incremental costs of obtaining contracts with a customer and therefore, not recognised an asset for such costs.

2.56 Disclosures as per Ind AS 116 'Leases'

1. The group has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. On the date of initial application, the lease liability has been measured at the present value of the remaining lease payments and right of use assets has been recognised at an amount equal to the lease liabilities.

2. Practical expedients applied as per Ind AS 116

- Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
- Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

3. The incremental borrowing rate has been applied to discount the lease liabilities.

4. The details of the contractual maturities of lease liabilities as at March 31,2021 on an undiscounted basis are as follows:

Particulars	(₹ Lakh)	
	As at March 31,2021	As at March 31,2020
Less than one year	1041	1222
One to five years	949	1392
More than five years	213	54
Total	2203	2668

5. The group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to the meet the obligations related to lease liabilities as and when they fall due.



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

(₹ Lakh)

(A)	Expenditure in foreign currency	Year ended 31.03.2021	Year ended 31.03.2020
i)	Consultancy	-	-
ii)	Financing Charges (ECBs)	-	-
iii)	Interest on External Commercial Borrowings (ECBs)	-	-
iv)	Interest on World Bank Loan.	1753	5272
v)	Dividend Paid	-	-
vi)	Other Miscellaneous Matters	2678	1922
(B)	Earnings in foreign currency	-	-
(C)	Value of Import calculated on CIF basis		
i)	Capital Goods	9642	1625
ii)	Spare Parts	63	293
(D)	Value of components, stores and spare parts consumed		
i)	Imported	1383	137
		(74.10%)	(10.67%)
ii)	Indigenous	483	1147
		(25.90%)	(89.33%)

2.58 Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

A. Loans and advances in the nature of loans:

1. To Joint Venture Companies

(₹ Lakh)

Name of the Company	Outstanding balance as at		Maximum amount outstanding during the year ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Kholongchhu Hydro Energy Ltd.	117	112	117	120

2. To Firms/companies in which directors are interested : Nil (P.Y.: Nil)

B. Investment by the loanee (as detailed above) in shares of SJVN Limited : Nil

2.59 The group has a system of obtaining periodic confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of bank accounts and borrowings from banks & financial institutions. With regard to receivables for energy sales, the group sends demand intimations to the beneficiaries with details of amount paid and balance outstanding which can be said to be automatically confirmed on receipt of subsequent payment from such beneficiaries. In addition, reconciliation with beneficiaries and other customers is generally done on quarterly basis. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters/emails with the negative assertion as referred in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent to the parties. Some of such balances are subject to confirmation/reconciliation. Adjustments, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.

2.60 Information in respect of micro and small enterprises as at 31st March 2021 as required by Micro, Small and Medium Enterprises Development Act, 2006.

(₹ Lakh)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
a) Amount remaining unpaid to any supplier:		
Principal amount	1034	1105
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.	-	-

2.61 Quantitative details in respect of energy generated & sold :

a) Hydro Power:-

(₹ Lakh)

Sr. No.	Particulars	Year ended 31.03.2021	Year ended 31.03.2020
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	1912	1912
iii)	Actual Generation (Million Units)	9094.26	9543.46

b) Wind/Solar Power:-

(₹ Lakh)

Sr. No.	Particulars	Year ended 31.03.2021	Year ended 31.03.2020
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	102.60	102.60
iii)	Actual Generation (Million Units)	129.23	134.69



2.62 Payment to Auditors includes:

(₹ Lakh)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
As Auditors		
- Statutory Audit	18	13
- Tax Audit	4	3
- Limited Review	10	8
For other services (Certificates etc.)*	4	6
Reimbursement of Expenses	2	9
Reimbursement of Service Tax/GST	6	3
Total	44*	42

* Includes amount of ₹ 7 lakh pertaining to previous year

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

(₹ Lakh)

Particulars	CURRENCY	As at 31.03.2021	As at 31.03.2020
Borrowings, including Interest Accrued but not due thereon.	USD	169486	195737

2.64 Disclosure related to Corporate Social Responsibility (CSR)

As per the Companies Act, 2013, the group is required to spend at least two per cent of the average net profits of the group made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. During the year an amount of ₹ 3600 lakh [(2% of Average Profit Before Tax of immediately previous three years (P.Y ₹ 3543 lakh, 2% of Average Profit Before Tax of immediately previous three years)] to be spent on CSR during the year. The group has paid an amount of ₹ 5350 lakh (P.Y: ₹ 3619 lakh) to the CSR trust formed to manage the CSR activities which has been booked to CSR expenses as per Accounting Policy .

a) Break-up of CSR expenditures incurred as intimated by CSR Trust under various heads is as below.

(₹ Lakh)

Sr. No.	Activities	As at 31 st March, 2021	As at 31 st March, 2020
1	Health and hygiene	771	1089
2	Education and Skill Development	382	1443
3	Promotion of Gender Equality, Empowering women etc	23	37
4	Sustainable Development	70	162
5	Protection of national heritage, art and culture etc	351	-
6	Benefits of armed forces veterans ,war widows and their dependants	3	-
7	Preservation and promotion of culture, Melas, Sports etc.	18	251
8	Contribution to PM Cares fund or any other fund set up by the central govt. for socio economic development etc.	2000	-
9	Contribution to incubators or research and development projects	40	-
10	Infrastructural Development and Community Development	522	529
11	Slum Area Development	5	-
12	Assistance to the victims natural disasters/ calamities	682	100
13	Miscellaneous CSR activities& Administrative Exp.	419	24
Total		5286	3635

 b) (i) Amount spent during the year ended 31st March 2021.

(₹ Lakh)

Particulars	In cash	Yet to be paid in cash	Amount
a) Construction/Acquisition of any Asset	1509	21	1530
b) On Purpose other than (a) above	3525	231	3756

 (ii) Amount spent during the year ended 31st March 2020.

(₹ Lakh)

Particulars	In cash	Yet to be paid in cash	Amount
a) Construction/Acquisition of any Asset	1758	158	1916
b) On Purpose other than (a) above	1573	146	1719

2.65 The group is mainly engaged in the business of generation of electricity and the tariffs for the power generation are regulated in terms of the CERC Tariff Regulations. Due to the various steps taken by the group, there has been no significant impact of the pandemic on the generation of electricity / construction activities undertaken by the group.

In line with the directions of GOI, the group has given a one-time rebate of ₹ 5782 lakh to the DISCOMs and Power Departments of States/ Union Territories. Accordingly rebate amounting to ₹ 5173 lakh (P.Y.: ₹ 609 lakh) has been recognised as an exceptional item.

Based on assessment of the management, no material impact of COVID-19 on the financial performance inter alia including the carrying value of various current and non-current assets or on the going concern assumptions of the group is expected to arise. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The group will continue to monitor any material changes to future economic conditions and the same will be taken into consideration on materialisation.



2.66 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 for the year ended		Share in other comprehensive income for the year ended		Share in total comprehensive income for the year ended	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated Total comprehensive income	Amount
A. Parent (SJVN Ltd.)								
31.03.2021	69.17	884764	99.00	162905	100.00	(165)	99.00	162740
31.03.2020	81.44	981449	99.09	155256	100.00	(1420)	99.08	153836
B. Indian Subsidiaries								
SJVN Thermal Private Limited								
31.03.2021	16.80	214923	0.07	114	-	-	0.07	114
31.03.2020	8.37	100913	(0.02)	(37)	-	-	(0.02)	(37)
C. Foreign Subsidiaries								
SJVN Arun-3 Power Development Company Private Limited.								
31.03.2021	12.31	157410	0.70	1159	-	-	0.70	1159
31.03.2020	8.57	103234	0.57	899	-	-	0.58	899
D. Indian Joint Ventures								
Cross Border Power Transmission Company Limited.								
31.03.2021	0.23	2978	0.23	383	-	-	0.23	383
31.03.2020	0.24	2859	0.36	558	-	-	0.36	558
E. Foreign Joint Ventures								
Kholongchhu Hydro Energy Limited								
31.03.2021	1.49	19043	-	-	-	-	-	-
31.03.2020	1.38	16653	-	-	-	-	-	-
TOTAL								
31.03.2021	100	1279118	100	164561	100	(165)	100	164396
31.03.2020	100	1205108	100	156676	100	(1420)	100	155256

2.67 Board of Directors have authorised Director (Finance) and Company Secretary to rectify the errors and carry out modifications, if any.

For and on behalf of the Board of Directors



(Soumendra Das)
Company Secretary
FCS-4833


(Akhileshwar Singh)
Director(Finance) cum CFO
DIN:08627576


(Nand Lal Sharma)
Chairman & Managing Director
DIN:03495554

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

For A P R A & Associates LLP
Chartered Accountants
FRN-011078N/N500064


(Deepak Kataria)
Partner
M.No. 504395
UDIN-21504395AAAADL7276

Place: Shimla / New Delhi
Date : June 26, 2021



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	Sr. No.	1	2
2	Name of the subsidiary	SJVN Thermal Private Ltd.	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 1 st April 2020 to 31 st March, 2021	From 17 th July 2019 to 16 th July, 2020
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)	NPR (Incorporated in Nepal). Exchange Rate Fixed 1₹ = 1.6 NPR
5	Share capital	214668	152717
6	Reserves & surplus	75	1983
7	Total assets	260597	169864
8	Total Liabilities	45854	15164
9	Investments	-	-
10	Turnover	-	-
11	Profit (Loss) before taxation	118	1544
12	Provision for taxation	4	385
13	Profit (Loss) after taxation	114	1159
14	Proposed Dividend	-	-
15	% of shareholding	100	100

1. SJVN Thermal Private Ltd. & SJVN Arun-3 Power Development Company Private Ltd. is yet to commence business.
2. Names of subsidiaries which have been liquidated or sold during the year. - NIL
3. Above Figures of SJVN Arun-3 Power Development Company Private Ltd. is as per Unaudited Balance Sheet of 31.03.2021.



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	Kholongchhu Hydro Energy Limited
1. Latest audited Balance Sheet Date	Audited up to 31.03.2020	Audited up to 31.12.2020
2. Shares of Associate/Joint Ventures held by the company on the year end	26%	50%
No. of shares	1,26,12,473 Equity shares of ₹ 10 each	1,90,42,730 Equity Shares of ₹ 100/- each
Amount of Investment in Associates/Joint Venture	1261	19043
Extent of Holding %	26%	50%
3. Description of how there is significant influence	-	-
4. Reason why the associate/joint venture is not consolidated	Consolidated	Consolidated
5. Net Worth attributable to Shareholding as per latest Audited Balance Sheet	2859	18211
6. Profit / Loss for the year (After tax)		
i. Considered in Consolidation	383	-
ii. Not Considered in Consolidation	-	-

Kholongchhu Hydro Energy Limited is yet to commence business.

Names of associates or joint ventures which have been liquidated or sold during the year. – Nil

For and on behalf of the Board of Directors


(Soumendra Das)
 Company Secretary
 FCS-4833


(Akhileshwar Singh)
 Director(Finance) cum CFO
 DIN:08627576


(Nand Lal Sharma)
 Chairman & Managing Director
 DIN:03495554

For A P R A & Associates LLP
 Chartered Accountants
 FRN-011078N/N500064



(Deepak Kataria)
 Partner
 M.No. 504395
 UDIN-21504395AAAADL7276

Place: Shimla / New Delhi
Date : June 26, 2021



REMINDER

Dear Shareholder,

Sub: Payment of unpaid Dividend for previous years

During the past financial years, your Company has declared the following dividends since listing of its shares:-

Sr. No.	Financial Year	Interim/ Final	Dividend per Share	Declaration Date	Record Date
1.	2020-21	Interim	₹1.80	12-02-2021	24-02-2021
2.	2019-20	Final	₹0.50	29-09-2020	22-09-2020
3.	2019-20	Interim	₹1.70	13-02-2020	26-02-2020
4.	2018-19	Final	₹0.65	27-09-2020	20-09-2020
5.	2018-19	Interim	₹1.50	08-02-2019	20-02-2019
6.	2017-18	Final	₹0.50	25-09-2018	18-09-2018
7.	2017-18	Interim	₹1.90	09-02-2018	22-02-2018
8.	2016-17	Final	₹0.50	22-09-2017	15-09-2017
9.	2016-17	Interim	₹2.25	13-02-2017	24-02-2017
10.	2015-16	Final	₹ 0.47	22-09-2016	15-09-2016
11.	2015-16	Interim	₹0.63	04-02-2016	17-02-2016
12.	2014-15	Final	₹0.42	22-09-2015	15-09-2015
13.	2014-15	Interim	₹0.63	05-02-2015	18-02-2015
14.	2013-14	Final	₹0.98	09-09-2014	02-09-2014
15.	2012-13	Final	₹0.96	12-09-2013	05-09-2013
16.	2011-12	Final	₹0.94	03-09-2012	27-08-2012
17.	2010-11	Final	₹0.80	26-08-2011	19-08-2011
18.	2009-10	Final	₹0.60	15-09-2010	02-09-2010

All the Shareholders who were on the Register of Members on the respective record dates are entitled to receive the corresponding dividends.

Your company has made multiple attempts to dispatch your dividend. In case you were a member on the above record dates and have still not received any of the dividends declared during the above years, you are requested place a request via post/ email/ Fax to the Investor Relations Department or the R&T Agent for payment of unpaid dividends quoting your full Demat Account number comprising of DP ID and Client ID / Folio No. to enable us take prompt action.

The Contact details are as under:-

Investor Relations Department	Registrar & Share Transfer Agent (R&T)
<p>Shri Soumendra Das Company Secretary, SJVN Limited SJVN Corporate Office Complex, Shanan, Shimla - 171 006, Himachal Pradesh Tel No.: +91 177 2660075, Fax No.: +91 177 2660071 E-mail Id: investor.relations@sjvn.nic.in</p>	<p>Alankit Assignments Limited, Alankit House, 4E/2 Jhandewalan Extension New Delhi, Pincode-110055 Tel No.: +91 11 42541201, Fax No. : +91 11 42541201 Email Id: info@alankit.com</p>

Thanking you

For SJVN Limited



Soumendra Das

Company Secretary



NOTES

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NOTES

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To be the best-in-class Indian Power Company, globally admired for developing affordable clean power and sustainable value to all stakeholders.



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.

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 minima! ecological and social disturbances.
- To strive for acquiring Nav Ratna Status



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.: SJVN Corporate Office Complex, Shanan, Shimla - 171006, Himachal Pradesh (India)

Expediting Off.: Office Block, Tower-1, 6th Floor, NBCC Complex, East Kidwai Nagar, New Delhi-110023 (India)

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