



SJVN/CS/93/2022-

Date: 02/09/2022

NSE Symbol: SJVN-EQ

BOLT SCRIP ID: SJVN

SCRIP CODE: 533206

**National Stock Exchange of India Limited**

Exchange Plaza  
Bandra Kurla Complex,  
Bandra East, Mumbai-400051, India.

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001, India.

**Sub: Annual Report for the FY 2021-22**

Sir / Madam

In compliance with the provisions of Regulation **34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, we enclose herewith a Copy of the Annual Report for the proposed 34<sup>th</sup> Annual General Meeting of the Company for the FY 2021-22 which is being circulated to the shareholders through electronic mode.

The Annual Report is also hosted on the website of the company i.e., [www.sjvn.nic.in](http://www.sjvn.nic.in) under the Investor Relations section.

Kindly take the above information on record and oblige.

Thanking you,

Yours faithfully,

(Soumendras Das)  
Company Secretary

**Encl:**

As stated above.



# एसजेवीएन लिमिटेड

## SJVN LIMITED

(A Joint Venture of Govt. of India & Govt. of Himachal Pradesh)  
A Mini Ratna & Schedule "A" PSU

### वार्षिक रिपोर्ट

## Annual Report

### 2021-2022

2040

50000  
MW

2030

25000  
MW

2023

5000  
MW

## OUR SHARED VISION



## BOARD OF DIRECTORS



**Nand Lal Sharma**  
Chairman & Managing Director

## FUNCTIONAL DIRECTORS



**Geeta Kapur**  
Director (Personnel)



**Akhileshwar Singh**  
Director (Finance)



**Sushil Sharma**  
Director (Electrical)

## GOVT. NOMINEE DIRECTORS



**Raghuraj Rajendran**  
Nominee Director (Gol)



**Ram Dass Dhiman**  
Nominee Director (GoHP)

## INDEPENDENT DIRECTORS



**Udeeta Tyagi**  
Independent Director



**Saroj Ranjan Sinha**  
Independent Director



**Danveer Singh Yadav**  
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 1<sup>st</sup> December 2017. Prior to this, he was holding the post of Director (Personnel) of the Company since 22<sup>nd</sup> 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 32 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. 18<sup>th</sup> 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 27 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 1<sup>st</sup> 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 Revered List of "Great Place To Work" amongst India's CPSEs.

**Shri Akhileshwar Singh** has been appointed as Director (Finance) w.e.f. 6<sup>th</sup> January 2020. He holds Master of Business Administration (Finance) from Patna University. He has more than 32 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. 27<sup>th</sup> 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 Director (Electrical) w.e.f. 01<sup>st</sup> 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 32 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 Raghuraj Rajendran**, Joint Secretary (Ministry of Power), has been appointed as Nominee Director of Government of India on the Board of SJVN Limited w.e.f. 13<sup>th</sup> September 2021. Mr. Rajendran is a 2004, Madhya Pradesh Cadre officer of the Indian Administrative Service. He hails from Kerala and is proficient in Malayalam, Hindi and English. He has done his B. Tech in Electronics and Communication Engineering from the National Institute of Technology, Calicut (formerly Regional Engineering College, Calicut). In addition, he has acquired training and experience in diverse areas of Management from various prestigious educational and administrative Institutions of the country.

As a member of Indian Administrative Service, he has wide experience in areas of Cabinet Affairs, Personnel and General Administration, Social Justice and Empowerment, Employment and Labor issues, Panchayati Raj and Local Self Government. Since December, 2017 he is on deputation to the Government of India. He has served on many important administrative positions in Govt. of India and State Govt. of Madhya Pradesh, like Director- PMO; PS to Minister-M/o Steel; Deputy Director, LBSNAA, Mussoorie, etc.

**Shri Ram Dass Dhiman**, Chief Secretary (MPP & Power), GoHP was appointment as Nominee Director of Govt. of Himachal Pradesh on the Board of SJVN Limited w.e.f. 22<sup>nd</sup> 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 34 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

**Dr. Udeeta Tyagi**, has been appointed as Part-Time Non-Official Independent Director on the Board of SJVN Limited w.e.f. 8<sup>th</sup> November 2021. Dr. Tyagi holds a Master's degree and Doctorate (2009) in Chemistry. She has over 17 years' teaching experience of chemistry in various institutions. However, her areas of service and experience extend far beyond her professional qualifications. She happens to be a distinguished social worker in the fields of Waste Management, Skill Development, Women Empowerment, Youth Empowerment, Primary Education, Cleanliness and Beautification of Cities etc.

As National President, Member of various State level and National Level Social Service Organisations, she has been working for Social Welfare and Empowerment of youth etc. by bringing not only the youth but also schools, institutions, business organizations, local and state governments together with the objective of bringing prosperity through the community. Her achievements also include incorporating career counselling in CBSE curriculum, starting private schools in 124 villages and launching project 'Kaliyaan' to encourage girls' education. She has also been awarded by Hon'ble Prime Minister for Women Empowerment and by Hon'ble Chief Minister of Uttar Pradesh for beautification of different cities of U.P.

**Shri Saroj Ranjan Sinha**, has been appointed as Part-Time Non-Official Independent Director on the Board of SJVN Limited w.e.f. 8<sup>th</sup> November 2021. Shri Sinha is a Graduate from IEC University, Himachal Pradesh. He is a renowned and respected Public Activist and Social Worker from the State of Bihar who has led and participated in a number of campaigns for a Public Cause. His areas of service include Farmers Welfare and Agricultural Development, empowerment of Farmers to name a few. He has nearly 32 years' experience in Social and Public Service. He has also served as Former Governing Body Member - Indian Council of Agricultural Research Eastern Region Patna, Bihar and Former Member- Bihar State Seed and Organic Certification Agency. He has also been felicitated with the Innovative Farmer Award by Indian Agricultural Research Institute in 2017.

**Dr. Danveer Singh Yadav**, has been appointed as Part-Time Non-Official Independent Director on the Board of SJVN Limited w.e.f. 9<sup>th</sup> November 2021. Dr. Yadav is presently serving as a Principal/Professor at SM College, Chandausi (Distt. Sambhal), Uttar Pradesh. Formerly, he served as Professor at KGK PG College, Moradabad. He holds a Master's Degree (1990) and Doctorate in Chemistry (1994) from Allahabad University. He has over 26 years of teaching experience in the Department of Chemistry. In addition, he has acquired training and experience in diverse areas of Management from various prestigious educational and administrative Institutions of the country. He has over 12 Research Papers published in the field of Organic Chemistry in International Journals to his credit. He also has written 7 Books in the field of Organic Chemistry.



## Project Portfolio

## I. Generation Projects

S.N.	Project	Location	Capacity (in MW)
<b>A. Projects under Operation</b>			
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
<b>Sub-Total</b>			<b>2016.50</b>
<b>B. Projects under Construction</b>			
7.	Arun - 3 HEP	Nepal	900
8.	Naitwar Mori HEP	Uttarakhand	60
9.	Luhri HEP Stage-1	Himachal Pradesh	210
10.	Dhauilasidh HEP	Himachal Pradesh	66
11.	Buxar Thermal PP	Bihar	1320
12.	Kholongchhu HEP	Bhutan	600
13.	Bagodara Solar Power Project	Gujarat	70
14.	Parasan Solar Power Project	Uttar Pradesh	75
15.	CPSU Scheme Solar Power Project (SPP)	Rajasthan	1000
16.	Gujrai SPP	Uttar Pradesh	50
17.	Gurhah SPP	Uttar Pradesh	75
<b>Sub-Total</b>			<b>4426</b>
<b>C. Projects under Pre-construction</b>			
18.	Sunni Dam HEP	Himachal Pradesh	382
19.	Jakhol Sankri HEP	Uttarakhand	44
20.	Lower Arun HEP	Nepal	669
21.	BREDA SPP	Bihar	200
22.	Raghanesda SPP	Gujarat	100
23.	PSPCL SPP	Punjab	100
24.	BBMB Floating SPP	Himachal Pradesh	15
25.	BBMB Ground Mounted SPP	H.P. + Punjab	18
26.	GUVNL Phase-XIII Solar Power Project	Gujarat	100
27.	Omkareshwar Floating SPP	M.P.	90
28.	GUVNL Phase-XIV Solar Power Project	Gujarat	160
<b>Sub-Total</b>			<b>1878</b>
<b>D. Projects under Survey and Investigation</b>			
29.	Luhri Stage-II HEP	Himachal Pradesh	172
30.	Jangi Thopan Powari HEP	Himachal Pradesh	804
31.	Purthi HEP	Himachal Pradesh	232
32.	Bardang HEP	Himachal Pradesh	175
33.	Reoli Dugli HEP	Himachal Pradesh	456
34.	Sach Khas HEP	Himachal Pradesh	267
35.	Tandi- Rashil HEP	Himachal Pradesh	268
36.	Devsari HEP	Uttarakhand	194





S.N.	Project	Location	Capacity (in MW)
37.	Arun-4 HEP	Nepal	490
38.	Kaza SPP	Himachal Pradesh	880
39.	Kinnaur SPP	Himachal Pradesh	400
40.	Mahashtra SPP	Maharashtra	200
<b>Sub-Total</b>			<b>4538</b>
<b>E. Projects in Arunachal Pradesh</b>			
41.	Etalin HEP	Arunachal Pradesh	3097
42.	Attunli HEP	Arunachal Pradesh	680
43.	Emini HEP	Arunachal Pradesh	500
44.	Amulin HEP	Arunachal Pradesh	420
45.	Mihumdon HEP	Arunachal Pradesh	400
<b>Sub-Total</b>			<b>5097</b>
<b>F. Pumped Storage Projects (PSPs)</b>			
46.	Kolmondapada	Maharashtra	800
47.	Sidgarh	Maharashtra	1500
48.	Chornai	Maharashtra	2000
49.	Madliwadi	Maharashtra	900
50.	Baitarni	Maharashtra	1800
51.	Kundi	Maharashtra	600
52.	Jalvara	Maharashtra	2000
53.	Varahi	Karnataka	700
54.	Daizo Lui	Mizoram	2000
55.	Tigaleru	Andhra Pradesh	1650
<b>Sub-Total</b>			<b>13950</b>
<b>Total (A+B+C+D+E+F)</b>			<b>31905</b>

## II. Transmission Projects

S.N.	Project	Location	Length (km)
<b>Project under Operation</b>			
56.	400 kV Transmission Line (CPTC- JV- 26% share)	Sursand (Nepal border) to Muzaffarpur (Bihar)	86
<b>Project under Construction</b>			
57.	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
58.	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.)	37
<b>Total</b>			<b>340</b>



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## REFERENCE INFORMATION

Company Secretary	:	Soumendra Das
Statutory Auditors	:	M/s APT & Co. LLP
Cost Auditors	:	M/s Balwinder & Associates
Secretarial Auditors	:	Mr. Santosh Pradhan, Practicing Company Secretary
Registered & Corporate Office	:	SJVN Corporate Office Complex, Shanan, Shimla - 171 006
Shares Listed at	:	National Stock Exchange Limited Bombay Stock Exchange Limited
Depositories	:	National Securities Depository Limited Central Depository Services (India) Limited
Debenture Trustee	:	IDBI Trusteeship Services Limited
Bankers	:	State Bank of India Punjab National Bank IDBI Bank HDFC Bank Axis Bank AU Small Finance Bank Bandhan Bank Bank of India Union Bank







**SELECTED FINANCIAL INFORMATION\***

(₹ crore)

	2021-22	2020-21#	2019-20 #	2018-19#	2017-18#
<b>A. Revenue</b>					
Revenue from operations(net)	2421.96	2490.83	2707.61	2646.38	2229.97
Other Income	203.58	722.24	387.63	262.61	357.10
Total Revenue	2625.54	3213.07	3095.24	2908.99	2587.07
<b>B. Expenses</b>					
Employees Benefits Expense	289.41	320.55	307.68	315.81	265.22
Other Expenses	403.80	368.82	362.89	305.28	276.25
Profit before depreciaton, finance cost , exceptional items, net movement in regulatory deferral account balance and tax	1932.33	2523.70	2424.67	2287.90	2045.60
Depreciation and Amortization Expense	404.29	393.27	384.09	390.26	364.51
Profit before finance cost, exceptional items, net movement in regulatory deferral account balance and tax	1528.04	2130.43	2040.58	1897.64	1681.09
Finance Costs	161.34	(2.85)	268.07	235.33	83.82
Profit before exceptional items, net movement in regulatory deferral account balance and tax	1366.70	2133.28	1772.51	1662.31	1597.27
Exceptional Items (+) income (-) loss	(23.26)	(293.44)	(6.09)	(57.08)	-
Profit before net movement in regulatory deferral account balance and tax	1343.44	1839.84	1766.42	1605.23	1597.27
Tax (Net)	322.10	478.18	368.22	387.89	412.58
Profit Before regulatory deferral account balances	1021.34	1361.66	1398.20	1217.34	1184.69
Net movement in regulatory deferral account balance (net of tax)	(43.82)	271.38	159.23	146.95	40.19
Profit after tax	977.52	1633.04	1557.43	1364.29	1224.88
Other Comprehensive Income (Net of Tax)	(1.63)	(1.66)	(14.20)	(14.82)	(11.94)
Total Comprehensive Income	975.89	1631.38	1543.23	1349.47	1212.94
Dividend for the year (Accrual Basis)	668.07	864.56	864.56	844.91	864.56
Dividend tax for the year (Accrual Basis)	-	-	137.32	173.68	176.16
Dividend for the year (Cash Basis)	609.12	903.85	923.51	668.07	992.79
Dividend Tax during the year (Cash Basis)	-	-	189.83	137.33	202.11
Retained Profit	368.40	729.19	444.09	558.89	29.98
<b>C. Assets</b>					
Fixed assets(net block)					
Property Plant & Equipment	7290.62	7470.88	7569.38	7683.00	7638.29
Other Intangible assets	21.28	27.58	1.38	1.75	2.41
Capital work-in-progress including Intangible Assets under Development	2226.56	1206.78	944.88	765.46	642.42
Total Fixed Assets (Net block)	9538.46	8705.24	8515.64	8450.21	8283.12
Investments (Non-current Financial Asset)	4921.88	3462.14	1972.99	1292.39	863.03
Deferred Tax Assets (Net)	529.71	622.72	784.63	308.47	350.72
Regulatory Deferral Account Debit Balance	808.60	861.70	532.87	339.93	152.62
Other non-current assets including financial assets other than investments and assets held for sale	859.35	786.44	324.75	298.16	269.36
Current assets	4122.49	2425.33	3645.35	4231.49	4446.74
Total Assets	20780.49	16863.57	15776.23	14920.65	14365.59
<b>D. Liabilities</b>					
Non-current Borrowings	4796.95	1855.68	1972.19	1940.46	2035.34
Other Non-current liabilities including Lease liabilities, financial liabilities and provisions other than borrowings	841.57	857.75	882.71	887.25	837.00
Current liabilities	2013.36	1388.30	887.02	854.16	798.54





(₹ crore)

	2021-22	2020-21#	2019-20 #	2018-19#	2017-18#
<b>E. Net-worth</b>					
Share Capital	3929.80	3929.80	3929.80	3929.80	3929.80
Other Equity	9198.81	8832.04	8104.51	7308.98	6764.91
Net-worth	13128.61	12761.84	12034.31	11238.78	10694.71
Total Liabilities	20780.49	16863.57	15776.23	14920.65	14365.59
<b>F. Number of employees</b>	1418	1499	1564	1579	1602
<b>G. Ratios</b>					
Return on net worth (%)	7.45%	12.80%	12.94%	12.14%	11.45%
Book Value per Share (₹)	33.41	32.47	30.62	28.60	27.21
Earnings per share (₹)	2.49	4.16	3.96	3.47	2.97
Current ratio	2.05	1.75	4.11	4.95	5.57
Debt to equity (including current maturities of long term borrowings)	0.42	0.17	0.19	0.19	0.21

\* Standalone

# Restated as per F.Y. 2021-22





## 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 34<sup>th</sup> Annual General Meeting of the Members of SJVN Limited will be held on **29<sup>th</sup> September 2022, Thursday at 15:00 HRS, through Video Conferencing (VC)/ Other Audio Visual Means (OAVM)** to transact the following businesses:-

#### **ORDINARY BUSINESS:**

- To receive, consider and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements for the Financial year ended 31<sup>st</sup> March, 2022, Directors' Report, Independent Auditors' Report and the comments thereon of the Comptroller & Auditor General of India and to pass the following resolutions as an **Ordinary Resolution**:  

**"RESOLVED THAT**, Audited Standalone Financial Statements and Audited Consolidated Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2022, Directors' Report, Independent Auditors' Report and the comments thereon of the Comptroller & Auditor General of India be and are hereby received, considered and adopted."
- To confirm the payment of Interim Dividend of ₹1.15 per share of the Company already paid in Month of February 2022 and to declare the final dividend of ₹0.55/- per share on equity shares of the Company for the financial year 2021-22 and to pass the following resolutions as an **Ordinary Resolution**:  

**"RESOLVED THAT**, the interim dividend @ 11.5% i.e. ₹1.15/- per share on 392,97,95,175 equity shares paid to the shareholders for the financial year ended March 31, 2022, as per the resolution passed by the Board of Directors at their meeting held on February 10, 2022 be and is hereby noted and confirmed."

**"RESOLVED FURTHER THAT**, in terms of the recommendation of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby granted for payment of dividend @ 5.5% i.e. ₹0.55/- per share on 392,97,95,175 equity shares of the Company for the year ended March 31, 2022."
- To appoint a Director in place of Smt. Geeta Kapur [DIN-08213642], who retires by rotation and being eligible, offers herself for re-appointment and to pass the following resolution as an **Ordinary Resolution**:  

**"RESOLVED THAT**, Smt. Geeta Kapur [DIN-08213642] be and is hereby re-appointed as Director of the Company liable to retire by rotation."
- To appoint a Director in place of Shri Surinder Pal Bansal [DIN-07239609], who retires by rotation and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution**:  

**"RESOLVED THAT**, Shri Surinder Pal Bansal [DIN-07239609] be and is hereby re-appointed as Director of the Company liable to retire by rotation."
- To fix remuneration of Statutory Auditors for the financial year 2021-22 and onwards and to consider and if thought fit, to pass, with or without modifications, the following resolution as an **Ordinary Resolution**:  

**"RESOLVED THAT**, approval of the members be and is hereby accorded to fix the remuneration of Statutory Auditors appointed by the Comptroller & Auditor General of India at ₹14,50,000/- per annum plus applicable taxes plus Reimbursement of Out of pocket expenses for the financial year 2021-22 and onwards, as recommended by the Audit Committee and Board."

#### **SPECIAL BUSINESS:**

##### **6. Appointment of Dr. Udeeta Tyagi as Independent Director:**

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

**"RESOLVED THAT**, pursuant to the provisions of Section 149, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of the Dr. Udeeta Tyagi (DIN-05101501) as an Independent Director of the Company w.e.f. 08<sup>th</sup> November, 2021 by the President of India vide Ministry of Power, Government of India's order 15-22/4/2021-H-II dated 08.11.2021 in exercise of powers conferred under Article 32 of the Articles of Association of the Company be and is hereby approved."

##### **7. Appointment of Shri Saroj Ranjan Sinha as Independent Director:**

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

**"RESOLVED THAT**, pursuant to the provisions of Section 149, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of the Shri Saroj Ranjan Sinha (DIN 01478184) as an Independent Director of the Company w.e.f. 08<sup>th</sup> November, 2021 by the President of India vide Ministry of Power, Government of India's order 15-22/4/2021-H-II dated 08.11.2021 read with Corrigendum No. 15-22/4/2021-H-II dated 15.11.2021 in exercise of powers conferred under Article 32 of the Articles of Association of the Company be and is hereby approved."



**8. Appointment of Dr. Danveer Singh Yadav as Independent Director:**

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

"**RESOLVED THAT**, pursuant to the provisions of Section 149, 152, Schedule IV and all other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of the Dr. Danveer Singh Yadav (DIN-09391688) as an Independent Director of the Company w.e.f. 09<sup>th</sup> November, 2021 by the President of India vide Ministry of Power, Government of India's order 15-22/4/2021-H-II dated 08.11.2021 in exercise of powers conferred under Article 32 of the Articles of Association of the Company be and is hereby approved."

**9. Enhancement of borrowing limit under Section 180(1)(c) of the Companies Act, 2013:**

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

"**RESOLVED THAT**, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof constituted for this purpose) under Section 180(1)(c) of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof) and applicable laws, rules and regulations, guidelines etc., if any, to borrow money for the purposes of the business of the Company as may be required from time to time either in foreign currency and /or in Indian rupees, as may be deemed necessary, on such terms and conditions and with or without security as the Board may think fit, which together with the monies already borrowed by the Company (apart from the temporary loans obtained from the bankers of the Company in the ordinary course of business) outstanding at any time shall not exceed in the aggregate ₹40,000 Crore (Rupees Forty Thousand Crore only)."

"**RESOLVED FURTHER THAT**, pursuant to provisions of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof), the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include any Committee thereof constituted for this purpose) to create such charges, mortgages and hypothecations in addition to existing charges, mortgages and hypothecations created by the Company, on such movable and immovable properties, both present and future and in such form and manner as the Board may deem fit in favour of Banks/ Financial Institutions/ Agents/ Trustees etc. (hereinafter referred to as "Lenders") for securing the borrowings availed/to be availed by way of rupee/foreign currency loans, other external commercial borrowings, issue of debentures / Bonds etc. on such terms and conditions as may be mutually agreed with the lenders of the Company towards security for borrowing of funds for the purposes of business of the Company."

"**RESOLVED FURTHER THAT**, the Board be and is hereby authorized and it shall always be deemed to have been so authorized to finalize and execute with the Lenders the requisite agreement, documents, deeds and writings for borrowing and/ or creating the aforesaid mortgage(s) and/ or charge(s) and to do all such other acts, deeds and things as may be necessary to give effect to the above resolutions."

**10. Ratification of remuneration of Cost Auditor for Financial Year 2022-23:**

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

"**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, incurred in connection with the cost audit plus TA/DA to be paid to M/s A.J.S. & Associates, Cost Accountants, Rishikesh (Dehradun), Cost Auditors of the Company for the financial year 2022-23, 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**

**(Soumendhra Das)**  
Company Secretary  
FCS-4833

**Date: 12<sup>th</sup> August, 2022**  
**Place: Shimla**







## NOTES:-

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.

- In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and pursuant to clarificatory General Circular numbers 14/2020, 17/2020, 20/2020, 02/2021 and 02/2022 issued by the Ministry of Corporate Affairs (MCA) and Circular numbers SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 for Equity and Listed non-convertible securities 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.**
- In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Regulation 44 (4) of the Listing Regulations will not be available for the AGM. Therefore, instrument for appointing proxy and attendance slip is not being attached herewith.
- 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”).
- As required by Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant details of **Smt. Geeta Kapur [DIN 08213642] and Shri Surinder Pal Bansal [DIN 07239609]** 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. Mr. Surinder Pal Bansal is currently under suspension w.e.f. 28th July, 2022 vide Ministry of Power, Government of India order dated 28th July, 2022, exercising powers under Sub-Rule (1) of Rule 20 of SJVN Conduct Discipline and Appeal Rules, 2019.
- None of the Directors of the Company are anywhere related with each other.
- The Register of Members and Share Transfer Books of the Company will remain closed from **23<sup>rd</sup> September 2022 (Friday) to 29<sup>th</sup> September 2022 (Thursday)** (both days inclusive).
- The Board has recommended a Final Dividend @₹0.55 per share in its 299<sup>th</sup> meeting held on 25<sup>th</sup> May 2022. 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 22<sup>nd</sup> September 2022 (Thursday).**
- 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 5<sup>th</sup> October, 2022.
- 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.
- 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.
- 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 documents in accordance with the provisions of the IT Act:

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 2022-23 does not exceed Rs.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) subject to beneficial provisions of the relevant Double Tax Avoidance Agreement ("DTAA/Treaty").

Section 206AB of IT Act (effective from July 1, 2021 and amended via Finance Act, 2022) which introduces special provisions for TDS in respect of non-filers of income-tax return. As provided in section 206AB of the IT Act, tax is required to be deducted at higher of following rates in case of payments to specified persons:

- at twice the rate specified in the relevant provision of the IT Act; or
- at twice the rate or rates in force; or
- at the rate of 5%.

Where Sections 206AB are applicable i.e. the specified person has not submitted the PAN as well as not filed the return; the tax shall be deducted at higher of two rates prescribed in these two sections.

The term 'specified person' is defined in sub section (3) of section 206AB of the IT Act who satisfies the following conditions:

- A person who has not filed the income tax return for the assessment year relevant to the previous years immediately prior to the previous year in which tax is required to be deducted, for which time limit of filing of return of income under section 139(1) of the IT Act has expired; and
- The aggregate of TDS and Tax Collection at Source ('TCS') in his case is Rs.50,000 or more in the said previous years. The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

In this regard, the Company will use the online utility provided by CBDT "Compliance Check for Sections 206AB and 206CCA". Refer Circular No. 11 of 2021 issued by CBDT in this regard.

In case, a person fulfils the conditions of being a 'specified person' as per the CBDT online utility, then tax will be deducted at higher rate as discussed above.

The aforementioned documents are required to be mailed to [sjvn.dividend@sjvn.nic.in](mailto:sjvn.dividend@sjvn.nic.in) during the period commencing from September 05, 2022 and ending on September 19, 2022.

We request you to visit [www.sjvn.nic.in](http://www.sjvn.nic.in) for more instructions and information in this regard. No communication would be accepted from members after September 19, 2022 regarding the tax withholding matters.

Shareholders will be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at <https://www.incometax.gov.in/iec/foportal/>.

- 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.
- Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, Bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
  - For shares held in electronic form: to their Depository Participants (DPs);
  - For shares held in physical form: to the Company/Registrar and Transfer Agent in prescribed **Form ISR-1** and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021. The Company has sent letters for furnishing the required details.
- Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed **Form ISR – 4**, the format of which is available on the Company's website at [www.sjvn.nic.in](http://www.sjvn.nic.in). It may be noted that any service request can be processed only after the folio is KYC Compliant.
- SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
- As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No.





SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website [www.sjvn.nic.in](http://www.sjvn.nic.in). Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.

17. Annual Listing fee for the year 2022-23 has been paid to the Stock Exchanges wherein shares of the Company are listed.
18. 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.
19. The annual report for 2021-22 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](http://www.sjvn.nic.in) and notice will also be available at [www.evotingindia.com](http://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](mailto:investor.relations@sjvn.nic.in).
20. 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.
21. 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.

#### 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, MCA circular no. 02/2021 dated January 13, 2021 and MCA Circular no. 02/2022 dated May 05, 2022. The forthcoming AGM will thus be held through VC/OVAM. Hence, Members can attend and participate in the ensuing AGM through VC/OVAM.
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/OVAM 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/OVAM 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/OVAM 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/OVAM 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](http://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](http://www.bseindia.com) and [www.nseindia.com](http://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](http://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](http://www.sjvn.nic.in) and also on [www.evotingindia.com](http://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 **26<sup>th</sup> September, 2022** and ends on **5:00 p.m.** on **28<sup>th</sup> September, 2022**. 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 **22<sup>nd</sup>**





**September, 2022** 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 with CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>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 &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL, NSDL etc., so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a>.</li> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a> The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> 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 &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> 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 &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	<p>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 &amp; voting during the meeting.</p>

**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 toll free no. 1800 22 55 33.
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:

<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>	
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"> <li>• 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.</li> </ul>
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"> <li>• 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.</li> </ul>

- 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.
11. Member may note that Company holds the right to restrict the number of speaker shareholders depending on the availability of time.

**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 toll free no. **1800 22 55 33**.

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, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to **helpdesk.evoting@cdslindia.com** or call at toll free no. **1800 22 55 33**.





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

### Item No.6:

#### Appointment of Dr. Udeeta Tyagi as Independent Director

Dr. Udeeta Tyagi (DIN 05101501) was appointed as an Independent Director of the Company by the President of India vide Ministry of Power, Government of India's order 15-22/4/2021-H-II dated 08.11.2021 in exercise of powers conferred under Article 32 of the Articles of Association of the Company.

The Company has received from Dr. Udeeta Tyagi (i) Consent to Act as a Director in Form DIR – 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualifications of Directors) Rules, 2014 to the effect that she is not disqualified under Section 164(2) of the Companies Act, 2013 and (iii) A Declaration to the effect that she meets the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013.

Her brief resume, inter alia, giving nature of expertise in specific functional area, shareholding in the Company, other directorships, Membership/Chairmanship of Committees and other particulars are given below:

<b>Name</b>	Dr. Udeeta Tyagi
<b>DIN</b>	05101501
<b>Date of Birth</b>	01 <sup>st</sup> July, 1978
<b>Date of Appointment</b>	08 <sup>th</sup> November, 2021
<b>Qualification</b>	Dr. Tyagi holds a Master's degree and Doctorate (2009) in Chemistry. She has over 17 years' teaching experience in chemistry in various institutions. However, her areas of service and experience extend far beyond her professional qualifications. She happens to be a distinguished social worker in the fields of Waste Management, Skill Development, Women Empowerment, Youth Empowerment, Primary Education, Cleanliness and Beautification of Cities, etc.
<b>Expertise in Specific Functional Area</b>	As National President, Member of various State level and National Level Social Service Organisations, she has been working for Social Welfare and Empowerment of youth, etc. by bringing not only the youth but also schools, institutions, business organizations, local and state governments together with the objective of bringing prosperity through the community.  Her achievements also include incorporating career counseling in CBSE curriculum, starting private schools in 124 villages, and launching the project 'Kaliyaan' to encourage girls' education.
<b>Directorship held in other Listed Companies</b>	Nil
<b>Names of other Listed Entities in which the person holds the membership of the Committees</b>	Nil
<b>Name of listed entities from which the person has resigned in the past three years</b>	Nil
<b>Relationships Between Directors Inter-se</b>	Nil
<b>Number of Shares Held, including shareholding as a beneficial owner</b>	Nil
<b>The skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	In exercise of powers vested under Articles 32 of Articles of Association of the Company, the Administrative Ministry i.e. Ministry of Power appoints Independent Directors on the Board of the Company on the basis of recommendations of a high-level Search Committee constituted by the Government of India for the purpose.  The skills and capabilities required for the role and the manner in which the proposed person meets such requirements are determined by the Ministry of Power in consultation with Search Committee.

The Resolution seeks the approval of members in terms of Section 149, 152 and other applicable provisions of the Act and the rules made there under for appointment of Dr. Udeeta Tyagi as an Independent Director of the Company, not liable to retire by rotation.

None of the Directors or Key Management Personnel of the Company or their relatives except Dr. Udeeta Tyagi, is in any way, concerned or interested financially or otherwise in the resolution.

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

**Item No.7:****Appointment of Shri Saroj Ranjan Sinha as Independent Director**

Shri Saroj Ranjan Sinha (DIN 01478184) was appointed as an Independent Director of the Company by the President of India vide Ministry of Power, Government of India's order 15-22/4/2021-H-II dated 08.11.2021 read with Corrigendum No. 15-22/4/2021-H-II dated 15.11.2021 in exercise of powers conferred under Article 32 of the Articles of Association of the Company.

The Company has received from Shri Saroj Ranjan Sinha (i) Consent to Act as a Director in Form DIR – 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualifications of Directors) Rules, 2014 to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013 and (iii) A Declaration to the effect that he meets the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013.

His brief resume, inter alia, giving nature of expertise in specific functional area, shareholding in the Company, other directorships, Membership/Chairmanship of Committees and other particulars are given below:

<b>Name</b>	Shri Saroj Ranjan Sinha
<b>DIN</b>	01478184
<b>Date of Birth</b>	01 <sup>st</sup> November, 1973
<b>Date of Appointment</b>	08 <sup>th</sup> November, 2021
<b>Qualification</b>	Shri Sinha is a Graduate from IEC University, Himachal Pradesh.
<b>Expertise in Specific Functional Area</b>	He is a renowned and respected Public Activist and Social Worker from the State of Bihar who has led and participated in a number of campaigns for a Public Cause. His areas of service include Farmers Welfare and Agricultural Development, empowerment of Farmers to name a few. He has nearly 32 years' experience in Social and Public Service. He has also served as Former Governing Body Member - Indian Council of Agricultural Research Eastern Region Patna, Bihar and Former Member- Bihar State Seed and Organic Certification Agency.  He has also been felicitated with the Innovative Farmer Award by Indian Agricultural Research Institute in 2017.
<b>Directorship held in other Listed Companies</b>	Nil
<b>Names of other Listed Entities in which the person holds the membership of the Committees</b>	Nil
<b>Name of listed entities from which the person has resigned in the past three years</b>	Nil
<b>Relationships Between Directors Inter-se</b>	Nil
<b>Number of Shares Held, including shareholding as a beneficial owner</b>	Nil
<b>The skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	In exercise of powers vested under Articles 32 of Articles of Association of the Company, the Administrative Ministry i.e. Ministry of Power appoints Independent Directors on the Board of the Company on the basis of recommendations of a high-level Search Committee constituted by the Government of India for the purpose.  The skills and capabilities required for the role and the manner in which the proposed person meets such requirements are determined by the Ministry of Power in consultation with Search Committee.

The Resolution seeks the approval of members in terms of Section 149, 152 and other applicable provisions of the Act and the rules made there under for appointment of Shri Saroj Ranjan Sinha as an Independent Director of the Company, not liable to retire by rotation.

None of the Directors or Key Management Personnel of the Company or their relatives except Shri Saroj Ranjan Sinha, is in any way, concerned or interested financially or otherwise in the resolution.

The Board recommends the Special Resolution set out at item no.7 of the Notice for approval by the shareholders.







**Item No.8:**

**Appointment of Dr. Danveer Singh Yadav as Independent Director**

Dr. Danveer Singh Yadav (DIN 09391688) was appointed as an Independent Director of the Company by the President of India vide Ministry of Power, Government of India's order 15-22/4/2021-H-II dated 08.11.2021 in exercise of powers conferred under Article 32 of the Articles of Association of the Company.

The Company has received from Dr. Danveer Singh Yadav (i) Consent to Act as a Director in Form DIR – 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR 8 in terms of Companies (Appointment & Qualifications of Directors) Rules, 2014 to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013 and (iii) A Declaration to the effect that he meets the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013.

His brief resume, inter alia, giving nature of expertise in specific functional area, shareholding in the Company, other directorships, Membership/Chairmanship of Committees and other particulars are given below:

<b>Name</b>	Dr. Danveer Singh Yadav
<b>DIN</b>	09391688
<b>Date of Birth</b>	16 <sup>th</sup> December, 1969
<b>Date of Appointment</b>	09 <sup>th</sup> November, 2021
<b>Qualification</b>	He holds a Master's Degree (1990) and Doctorate in Chemistry (1994) from Allahabad University.
<b>Expertise in Specific Functional Area</b>	Dr. Yadav is presently serving as a Principal/Professor at SM College, Chandausi (Distt. Sambhal), Uttar Pradesh. Formerly, he served as Professor at KGK PG College, Moradabad. He has over 26 years' of teaching experience in the Department of Chemistry. In addition, he has acquired training and experience in diverse areas of Management from various prestigious educational and administrative Institutions of the country.  He has over 12 Research Papers published in the field of Organic Chemistry in International Journals to his credit. He also has written 7 books in the field of Organic Chemistry.
<b>Directorship held in other Listed Companies</b>	Nil
<b>Names of other Listed Entities in which the person holds the membership of the Committees</b>	Nil
<b>Name of listed entities from which the person has resigned in the past three years</b>	Nil
<b>Relationships Between Directors Inter-se</b>	Nil
<b>Number of Shares Held, including shareholding as a beneficial owner</b>	Nil
<b>The skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	In exercise of powers vested under Articles 32 of Articles of Association of the Company, the Administrative Ministry i.e. Ministry of Power appoints Independent Directors on the Board of the Company on the basis of recommendations of a high-level Search Committee constituted by the Government of India for the purpose.  The skills and capabilities required for the role and the manner in which the proposed person meets such requirements are determined by the Ministry of Power in consultation with Search Committee.

The Resolution seeks the approval of members in terms of Section 149, 152 and other applicable provisions of the Act and the rules made there under for appointment of Dr. Danveer Singh Yadav as an Independent Director of the Company, not liable to retire by rotation.

None of the Directors or Key Management Personnel of the Company or their relatives except Dr. Danveer Singh Yadav, is in any way, concerned or interested financially or otherwise in the resolution.

The Board recommends the Special Resolution set out at item no.8 of the Notice for approval by the shareholders.





**Item No.9:**

**Enhancement of borrowing limit under Section 180(1)(c) of the Companies Act, 2013**

As per Sec 180(1) (c) of the Companies Act, 2013, the Board of Directors of a public company, shall not, except with the consent of the shareholders by a special resolution, borrow money, where the moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of paid-up share capital, free reserves and securities premium of the Company.

The total borrowings of the Company and aggregate of paid-up share capital, free reserves and securities premium as on 31.03.2022 were ₹5062.36 crore and ₹12921.78 crore respectively.

The Company has set a vision to achieve its ambitious shared vision of 5000 MW by 2023, 25000 MW by 2030 and 50000 MW by 2040 and simultaneously contribute towards RE capacity addition target of 500 GW by 2030 set by Government of India. Accordingly, Capex in the range of ₹45,000-₹50,000 crore may be visualized over next 3-4 years for which debt requirement is expected to be in the range of ₹35,000 crore.

For achieving this target, the Company may raise further loans or issue debentures or bonds, both secured or unsecured, in the near future for capital or revenue expenditure purposes. The borrowings at present are 39.18% of paid-up share capital, free reserves and securities premium and it is expected by the management that the borrowing limit may be breached in the coming years. It is therefore proposed to enhance the borrowing limits of the Company up to ₹40,000 crore (Rupees Forty Thousand Crore only).

Further, in terms of the provisions of Section 180(1)(a) of the Companies Act, 2013, a Company cannot sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking or undertakings of the Company without the consent of the Shareholders of the Company by way of a Special Resolution.

The large portion of capital expenditure requirement of the Company has to be funded by debt. The raising of funds through debt usually requires creation of security on the immovable/movable properties, present or future, of the Company in favour of lenders which may tantamount to otherwise disposing of the undertakings of the Company.

The Board recommends the Resolution given at item no. 9 of this notice for your approval as Special Resolution.

The Directors or Key Managerial Personnel or their relatives do not have any concern or interest, financial or otherwise, in passing of the said Resolution, except to the extent of their shareholding in the Company.

**Item No. 10:**

**Ratification of remuneration of Cost Auditor for Financial Year 2022-23**

The Board, on the recommendation of the Audit Committee has, vide its 300<sup>th</sup> meeting dated 28<sup>th</sup> June, 2022 has approved the appointment and remuneration of M/s A.J.S. & Associates, Cost Accountants, Rishikesh (Dehradun), as the Cost Auditors to conduct the audit of the cost accounts and records maintained by the Company for the financial year 2022-23.

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. 10 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2022-23.

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. 10 of the Notice.

The Board recommends the Ordinary Resolution set out at item no. 10 of the Notice for approval by the shareholders.





## BRIEF RESUME OF THE DIRECTORS SEEKING RE-ELECTION AT THE 34<sup>TH</sup> ANNUAL GENERAL MEETING

<b>Name</b>	Mrs. Geeta Kapur	Mr. Surinder Pal Bansal
<b>DIN</b>	08213642	07239609
<b>Date of Birth</b>	08-April-1964	07-July-1963
<b>Date of Appointment</b>	18-October-2018	01-April-2019 <i>Mr. Surinder Pal Bansal is currently under suspension w.e.f. 28<sup>th</sup> July, 2022 vide Ministry of Power, Government of India order dated 28<sup>th</sup> July, 2022, exercising powers under Sub-Rule (1) of Rule 20 of SJVN Conduct Discipline and Appeal Rules, 2019.</i>
<b>Qualification</b>	Post Graduate in Management from Himachal Pradesh, University, Shimla.	B. Tech in Civil Engineering from Punjab University, Chandigarh and Masters in Civil Engineering Structures from Thapar Institute of Engineering & Technology, Patiala.
<b>Expertise in Specific Functional Area</b>	<p>Mrs. Geeta Kapur has more than 3 (three) decades of experience in core areas of Human Resource (HR), out of which 27 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 1<sup>st</sup> woman officer to join the HR Team in 1986. She also happens to be the first woman Functional Director of the Company.</p> <p>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 key differentiators.</p> <p>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 Revered List of "Great Place To Work" amongst India's CPSEs.</p>	<p>Mr. Surinder Pal Bansal has more than 34 years of experience as Civil Engineer in various organizations including SJVN. Prior to joining SJVN as Director, he held the post of Chairman &amp; 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 Salts Limited as Chairman &amp; Managing Director.</p> <p>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 &amp; 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) &amp; Sambhar Salts Ltd. (SSL) on 27<sup>th</sup> May 2015 and after analyzing the problems faced by the CPSE, he took a number of radical &amp; aggressive steps/ decisions to improve the performance.</p> <p>He has few publications in leading International &amp; Indian Journals and has also participated in large number of Conferences/Workshops/Seminar/Training programs in various areas on Engineering/Management/Finance.</p>
<b>Directorship held in other Listed Companies.</b>	NIL	NIL
<b>Names of other Listed Entities in which the person holds the membership of the Committees.</b>	NIL	NIL





<b>Name of listed entities from which the person has resigned in the past three years</b>	NIL	NIL
<b>Relationships Between Directors Inter-se</b>	NIL	NIL
<b>Number of Shares Held, including shareholding as a beneficial owner</b>	NIL	NIL
<b>The skills and capabilities required for the role and the manner in which the proposed person meets such requirements</b>	<p>In exercise of powers vested under Articles 32 of Articles of Association of the Company, the Administrative Ministry i.e. Ministry of Power appoints Independent Directors on the Board of the Company on the basis of recommendations of a high-level Search Committee constituted by the Government of India for the purpose.</p> <p>The skills and capabilities required for the role and the manner in which the proposed person meets such requirements are determined by the Ministry of Power in consultation with Search Committee.</p>	<p>In exercise of powers vested under Articles 32 of Articles of Association of the Company, the Administrative Ministry i.e. Ministry of Power appoints Independent Directors on the Board of the Company on the basis of recommendations of a high-level Search Committee constituted by the Government of India for the purpose.</p> <p>The skills and capabilities required for the role and the manner in which the proposed person meets such requirements are determined by the Ministry of Power in consultation with Search Committee.</p>

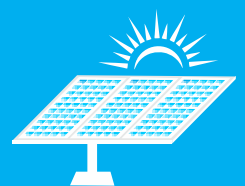








# CHAIRMAN'S LETTER TO THE SHAREHOLDERS







## CHAIRMAN'S LETTER TO THE SHAREHOLDERS



### Dear Shareholders,

I am delighted to welcome you to 34<sup>th</sup> Annual General Meeting of your company. It is my privilege to present the Annual Report which gives an insight into exemplary performances for the financial year 2021-22.

On completion of yet another outstanding year, the Audited Financial Statements of the company along with the Reports of the Auditors and Directors for the year 2021-22 are presented for your approval. Also, I take this opportunity to share with you the company's performance, position and future prospects.

### HIGHLIGHTS OF THE YEAR 2021-22

#### Dear Friends,

Economies around the world that were still weathering the setbacks of global pandemic, have once again been, severely impacted by the ongoing Russia-Ukraine War. However, with your unstinted support and the efforts of the employees with strategic intent to ensure sustained growth, your company managed to deliver steady performance. Emerging from the recent turbulent times, our projects are back on track and we are taking extraordinary measures to re-coup the progress that was adversely impacted in last two years.

### OPERATIONAL PERFORMANCE

#### Dear Shareholders,

It gives me great pride to share with our shareholders that during financial year 2021-22, we have maintained the outstanding performance from our Power Stations. **Surpassing the total Design Energy of 8705 Million Units, our Power Stations generated 9208 Million Units of energy.**

I am also glad to inform that your company has earned Rs 43 crores as incentive under Deviation Settlement Mechanism (DSM) from Nathpa Jhakri & Rampur Hydro Power Stations in the financial year 2021-22. This incentive earning is in addition to the revenue earned from power generation.

Company's flagship power stations, namely NJHPS & RHPS achieved the **Highest Ever Monthly Generation of 1217 MU and 336 MU respectively in July, 2021** pushing the **Company's aggregate Monthly Generation to a Record High of 1580 MU during the same month.**

NJHPS also achieved **Highest Ever Daily Generation of 39.493 MU on 16<sup>th</sup> August 2021.**

Continuing the record-breaking spree, the Company's Power Stations achieved the **Highest Ever Quarterly Generation of 4404 MU and 1480 MU during two consecutive Quarters i.e. Second and Third Quarter of FY 2021-22 respectively.** Incidentally, Generation Record of 4404 MU during Q2 of FY 2021-22 is also the **Highest Ever Quarterly Generation during any Quarter since inception of the Company.**





In another significant achievement, NJHPS has secured Information Security Management System - ISMS 27001:2013 Certification for best Information Technology & Operational Technology Systems.

## FINANCIAL PERFORMANCE

### My Dear Friends,

During the financial year 2021-22, mainly due to reduction in Late Payment Surcharge (LPS) from beneficiaries and increased costs due to increase in debt, the standalone revenue from operation decreased marginally by ₹68.87 crore to ₹2421.96 crore compared to ₹2490.83 crore during previous year. The standalone Profit After Tax decreased by ₹655.52 crore to ₹977.52 crore against ₹1633.04 crore for the previous year.

An **Interim dividend of ₹1.15 per share** was paid in the month of February 2022. In addition, your Board has recommended a **Final dividend of ₹0.55 per share**. Thus, subject to your approval, a **Total dividend of ₹1.70 per share** is proposed to be paid for financial year 2021-22.

With the exponential increase in CAPEX and project development activities, the profits are expected to remain subdued for next few years. However, I would like to re-assure our shareholders that their funds are being invested prudently, productively and profitably into company's business.

## BUSINESS EXPANSION

### Dear Shareholders,

24<sup>th</sup> May 2018, 31<sup>st</sup> Raising Day of the company was the day SJVN's Shared Vision of 5000 MW by 2023, 12000 MW by 2025 & 25000 MW installed capacity by 2040 was formulated and set out. This Shared Vision gave focus and right direction to our endeavors. The results were visible within four years as there has been exponential growth in portfolio of the company. The growing portfolio further motivated the Management and on 26<sup>th</sup> January 2022, Shared Vision has been upgraded to **5000 MW by 2023, 25000 MW by 2030 & 50000 MW by 2040**.

During the financial year 2021-22 and first quarter of the financial year 2022-23, 4237 MW has been added to the portfolio of the company. **This is highest capacity addition since incorporation of the company thirty-four years ago.**

I have always been advocating the concept of '**One Basin, One Developer**' for integrated River Basin Development for optimum utilization of resources and reduction of generation costs. Our persistent efforts have gained acceptance and acknowledgement. Government of Himachal Pradesh has allocated six hydro projects on Chenab basin to your company. Similarly in Arun River Basin in Nepal, in addition to Arun-3, SJVN got 669 MW Lower Arun Hydro Electric Project and 490 MW Arun-4 Hydro Electric Project. This development also has a strategic significance in strengthening diplomatic and bilateral relations between India and Nepal. With the invaluable guidance and support of Ministry of Power, SJVN is major contributor in achieving India-Nepal Joint Vision on Power Sector Co-operation.

In another significant development, your company has obtained **Category-I Trading License for interstate trading of electricity across entire Country** in January 2022.

SJVN has also re-engineered its Business Model in sync with the commitment of Hon'ble Prime Minister Sh. Narendra Modi of 50% energy from non-fossil fuel-based energy resources by 2030. As a step forward to achieve this vision and catalyze the future growth of the company, a **wholly owned subsidiary company SJVN Green Energy Limited** has been incorporated in March 2022.

The **project portfolio of the company has expanded rapidly to the present level of 55 Projects aggregating 31,905 MW spread across 13 states and 3 countries of Indian sub-continent**. Out of these, 7 Projects including 6 Generation Projects of 2016.5 MW and 1 Transmission Line Project of 86 km are Operational, 13 Projects including 11 Generation Projects of 4426 MW and 2 Transmission Line Project totaling 254 km are under Construction, 11 Projects of 1878 MW are under Investment approval & Pre-Construction Stage and 12 Projects of 4538 MW are in Survey & Investigation Stage.

Ministry of Power has identified five hydro projects of 5097 MW capacity in Dibang Basin of Arunachal Pradesh for allocation to SJVN. Also, 10 Pumped Storage Projects having an estimated capacity of 13,950 MW and spread across four states have been identified for allocation by the Ministry.

## PROJECT EXECUTION

### Dear Shareholders,

It gives me great satisfaction to share that displaying remarkable perseverance, our projects have been consistently performing well and their progress is either on track or has surpassed the set targets. **The project development activities have scaled to an all-time high during the previous year.**

The detailed status and progress of the Power Stations and Projects have been amply covered in the Directors' Report. Hence, I would only like to highlight some noteworthy accomplishments.

In 2021-22, we were given the mammoth CAPEX target of Rs. 5000 crores, almost double of what it was last year. This was the test of our determination and as always, your company rose to the challenge. 90% of this CAPEX target was achieved by December 2021. Your Company emerged as one of the two Power CPSUs & the only hydro CPSU to achieve this target fixed by Government of India. By the end of March 2022, we managed to clock CAPEX of Rs. 5259.39 crore and surpassed the assigned target.

Foundation stone of 210 MW Luhri Stage-1 Hydro Electric Project & 66 MW Dhaulasidh Hydro Electric Project and the Ground-Breaking Ceremony for 382 MW Sunni Dam Hydro Electric Project were done by Hon'ble Prime Minister Sh. Narendra Modi on 27<sup>th</sup> December 2021. At one point of time, these projects were considered unviable. It is testimony of our persistence and hard work that these projects have seen the light of the day.





Electro-Mechanical works of Luhri Stage-1 Hydro Electric Project have been awarded in July, 2021. Similarly, EPC package for Civil and Hydro-Mechanical works of 66 MW Dhaulasidh Hydro Electric Project has been awarded in May, 2021. The construction activities in 60 MW Naitwar Mori Hydro electric Project are ongoing at war footing pace and the project will be commissioned in the current financial year.

Financial closures of Luhri Hydro Electric Project Stage-1, Parasan Solar Power Project, Bagodara Solar Power Project and Dhaulasidh Hydro Electric Project have been achieved in 2021-22. Work for construction of 75 MW Solar Power Project at Parasan, Uttar Pradesh has been awarded in August, 2021.

Investment approval for pre-construction activities of Lower Arun Hydro Electric Project has been accorded by Ministry of Power in March, 2022 and DPR has been approved by Investment Board of Nepal in April, 2022.

SJVN is re-writing the rules of the game by focusing on the completion of its projects without time & cost overruns. Riding on the strength of the dedicated team, we aspire to set the benchmark by completing the projects within scheduled timelines. We are cruising ahead and demonstrating our mettle & competitive edge in the domestic and international markets amongst toughest of the competitors.

## OTHER DEVELOPMENTS

### Dear Shareholders,

As a part of its long-term Corporate Strategy, SJVN has entered into series of MOUs with various Government and Non-Governmental agencies during the financial year 2021-22.

Your company is enthusiastically participating in Azadi Ka Amrit Mahotsav celebration, an initiative of the Government of India to commemorate 75 years of progressive India. This Mahotsav is dedicated to the people of India who have the potential to enable Prime Minister Sh. Narendra Modi's vision of activating India 2.0, fuelled by the spirit of Aatmanirbhar Bharat. As a part of the Aatmanirbhar Bharat, SJVN is promoting the indigenous market, local producers and manufacturers by encouraging usage of Make in India material & products in its projects & power stations. Vendor development programs are regularly organized to increase the participation of MSMEs in the procurement process and to also strengthen interaction amongst local businesses. Your company is providing them the platform and opportunity to develop themselves and succeed in the highly competitive market.

The performance and achievements of your Company and Management have been recognized and rewarded by different institutions at various forums. Ministry of Power conferred **first position in Swachhta Pakhwada Award 2022 to SJVN** for outstanding contribution to Swachh Bharat Abhiyan. Our Corporate Head Quarters 'Shakti Sadan' became the first building in Himachal Pradesh to be rated **Four Star by Green Rating for Integrated Habitat Assessment 'GRIHA' Council**. SJVN has also been conferred with **Most Efficient & Profitable Mini Ratna of the Year Award** by Dalal Street Journal; **13<sup>th</sup> CIDC Vishwakarma Award 2022** in Corona Warriors Award and Partners in Progress category; Prestigious **Corporate Award 2021** in the category of **Best Growth Performance in Power Sector** by Dun & Bradstreet.

## HUMAN RESOURCES DEVELOPMENT

To assist us in imbibing best global practices to be a future-ready organization, we have engaged best in class International Consultants in technical, financial & management areas. Our aim is to drive every resource be it human or material towards achieving the Shared Vision. Your company gives utmost importance to the enrichment of employee skill and knowledge. For this, the employees are being imparted online, external and in-house, short and long duration trainings through organizations of national repute. Also, motivational talks by renowned speakers of international repute are being organized to motivate and energize them to achieve professional and individual objectives.

## RISK MANAGEMENT

Your company has a comprehensive Risk Management Policy. The Risk Management Strategy includes assessment of risk to designate as falling under Avoidance, Transfer, Reduction or Retention with associated action plan. Further, 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.

## CORPORATE SOCIAL RESPONSIBILITY

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 CSR initiatives are pursued through a registered trust 'SJVN Foundation' with an aim to reach the wide spectrum of beneficiaries.

During financial year 2021-22, the Company has spent a total amount of ₹51.67 crore on CSR activities which is ₹12.23 crore more than the statutory obligation of ₹39.44 crore. Year on year CSR expenditure by Company over and above the statutory obligation demonstrates the fact that we do not consider CSR a mere obligation rather it is our contribution towards Nation Building. In recognition of its outstanding contribution, your company has been conferred with **Global CSR Excellence & Leadership Award by World CSR Congress** for Best Covid -19 Solution for Community Care.

The particulars of our CSR initiatives are detailed in the Annual Report.

## CORPORATE GOVERNANCE

Your company believes in the importance of developing a robust governance framework and embracing best governance practices. 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.







## HIGHLIGHTS OF THE YEAR 2022-23

Dear Friends,

We have embarked on a new financial year to take the company to greater heights by drawing strength from cooperation of the stakeholders and commitment of the employees.

In the first quarter of the Financial Year 2022-23, our power stations have already generated 2736 MU. Out of this, NJHPS generated 2090 MU, RHPS generated 588 MU and solar & wind Power Stations have generated a total of 58 MU till 30<sup>th</sup> June 2022. **NJHPS has set a new record in Highest Ever Single Day power generation of 39.524 MU** on 18<sup>th</sup> July 2022.

In the august presence of Hon'ble Prime Minister of India and Hon'ble Prime Minister of Nepal, MoU for 490 MW Arun-4 Hydro Electric project has been signed on 16<sup>th</sup> May 2022. Further, the EPC package for 1000 MW Solar Power Project in Bikaner, Rajasthan has been awarded in May 2022.

The construction activities of ongoing projects are in full swing. I am confident that under the visionary leadership of Hon'ble Prime Minister Sh. Narendra Modi and guidance of Hon'ble Union Power Minister Sh. R.K. Singh, we will achieve the CAPEX target of Rs. 8,000 crores for financial year 2022-23.

## MACRO ECONOMIC SCENARIO AND GOVERNMENT INITIATIVES

Dear Shareholders,

Despite the global pandemic, all India demand in power sector continued to achieve new benchmarks. The highest all India demand of 2,00,570 MW was achieved on 07<sup>th</sup> July 2021 and this was 14 percent higher than the previous year. Addition of 28 million new consumers is indicative of the fact that our economy is recovering well. During the financial year 2021-22, Ministry of Power undertook many comprehensive reforms covering the entire gamut of the energy sector.

For addressing the issue of timely recovery of the costs due to change in law, Electricity (Timely Recovery of Costs due to Change in Law) Rules, 2021 have been issued. The Electricity (Promotion of generation of Electricity from Must-Run Power Plant) Rules, 2021 have been issued to ensure that the consumers get green and clean power and secure a healthy environment for the future generation. Also, amendment in the existing Renewable Energy Certificate mechanism is being made to align the present mechanism with the emerging changes in the power scenario and to promote new renewable technologies.

A Model Contract Document for Dispute Avoidance Mechanism in Hydro CPSUs through "Independent Engineer" has been issued by Ministry of Power. Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 covering liquidation of old outstanding dues and payment security mechanism will help in clearing of old outstanding dues of SJVN by state power utilities.

The market has been widely expanded with the launch of Real Time Market, Green Term-Ahead Market and Green Day Ahead Market which has proven extremely beneficial to all the stakeholders.

In addition, the Government has taken several other steps to promote renewable energy. This includes - Permitting Foreign Direct Investment up to 100 percent under the automatic route; Waiver of Inter State Transmission System charges for inter-state sale of solar and wind power for projects to be commissioned by June 2025; Setting up of Ultra Mega Renewable Energy Parks to provide land and transmission to renewable energy developers on a plug and play basis; Schemes such as PM-KUSUM, Solar Rooftop Phase II, 12000 MW CPSU Scheme Phase II, etc; Laying of new transmission lines and creating new sub-station capacity under the Green Energy Corridor Scheme for evacuation of renewable power; Setting up of Project Development Cell for attracting and facilitating investments; Standard Bidding Guidelines for tariff based competitive bidding process for procurement of Power from Grid Connected Solar PV and Wind Projects. Government has issued orders that power shall be dispatched against Letter of Credit or advance payment to ensure timely payment by distribution licensees to renewable energy generators.

All these reforms and initiatives have brought in transformation in Indian power sector, on a scale, which is unparalleled in the energy history of the world.

## FUTURE PROSPECTS

My Dear Friends,

The Russia-Ukraine war has the potential to trigger a long-term global turmoil and change in world order. It has accelerated the global shift to green energy. The investment into renewable energy is being considered a component of energy security and political stability.

I recall the time when in December 2017, only one wind power project with an investment of Rs. 300 crores was under construction. In subsequent period of less than four years, there has been a complete transformation in the company's portfolio. At present, the estimated cost of under construction projects and transmission line projects is about Rs. 33,000 Crores. Continuing to reorient and readapt to the ever-changing business environment, we are venturing into the new fields of Hybrid Energy, Pumped Storage, Green Hydrogen and Battery Storage Energy Systems. As the company gets to execute more projects, the overall investments are estimated to rise to about Rs. 3,00,000 crores by 2040. We are taking significant steps for spearheading energy transition to deliver excellent growth.

In recent years, SJVN has truly transformed itself into a Fully Diversified Multinational Power Company striding ahead to meet the power demands of the nation. SJVN aspires to be a one-stop source for any generator and consumer wanting to trade power in the country and contribute to the evolution of a robust and competitive energy market in India.





## ACKNOWLEDGMENT

I feel highly privileged and honored to be leading a company that is breaking barriers and conquering new frontiers.

In recent years, our Shareholder base has grown to over 3 lakh from less than 1 lakh shareholders which is indicative of the trust and commitment of retail shareholders towards the company. I am highly grateful for the continued confidence and trust posed by our Shareholders, Investors and Partners.

I take this opportunity to place on record my sincere appreciation and thanks for the support, guidance and cooperation extended by Government of India, State Governments of Himachal Pradesh, Uttarakhand, Bihar, Maharashtra, Gujarat, Rajasthan, Punjab, Madhya Pradesh, Arunachal Pradesh, Uttar Pradesh, Karnataka, Andhra Pradesh and Mizoram; 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.

Most importantly, I place on record my deepest admiration for my colleagues on the Board – past & present. I take great pride in acknowledging that in all the accomplishments of the company my fellow Board Members have stood by me and extended their unfaltering trust, co-operation and guidance. During the challenging times, SJVNites, as always, have shown uncharacteristic determination and consistently delivered outstanding results despite all odds. Their efforts and commitment allows us to dream and aim big and achieve higher and higher goals.

We reaffirm our commitment to excellence with the determination to sustain and enhance our successful momentum.

Thanking you,

Date: 12<sup>th</sup> August, 2022  
Place: Shimla

Yours Sincerely

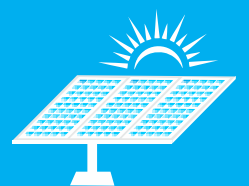
(Nand Lal Sharma)  
Chairman & Managing Director  
DIN: 03495554







# DIRECTORS' REPORT 2021-22









## DIRECTORS' REPORT 2021-22

## Dear Members,

Your Directors are pleased to present the Thirty Fourth Directors' Report of the Company for the year ended March 31, 2022 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 ended 31<sup>st</sup> March 2022 briefly encapsulate the performance of your company: -

## 1. FINANCIAL HIGHLIGHTS

(₹ in Lakh)

PARTICULARS	STANDALONE		CONSOLIDATED	
	2021-22	2020-21	2021-22	2020-21
<b>INCOME</b>				
Revenue from Operations	242196	249083	241700	248539
Other Income	20358	72224	21778	73745
<b>Total Income</b>	<b>262554</b>	<b>321307</b>	<b>263478</b>	<b>322284</b>
<b>EXPENSES</b>				
Employees' Benefits Expense	28941	32055	29062	31722
Finance Cost	16134	(285)	16134	(285)
Depreciation and Amortization Expenses	40429	39327	40429	39327
Other Expenses	40380	36882	39994	36929
<b>Total Expenses</b>	<b>125884</b>	<b>107979</b>	<b>125619</b>	<b>107693</b>
<b>Profit/(Loss) before exceptional items and tax</b>	<b>136670</b>	<b>213328</b>	<b>137859</b>	<b>214591</b>
Exceptional items	2326	29344	2326	29344
<b>Profit before Share in net profit of Joint venture/ Associates, net movement in regulatory deferral account balance and tax</b>				
	-	-	135533	185247
Share in Profit of JVs & Associates	-	-	449	394
<b>Profit before net movement in regulatory deferral account balance and tax</b>	<b>134344</b>	<b>183984</b>	<b>135982</b>	<b>185641</b>
Tax Expenses:				
Current Tax	22909	31627	23286	32012
Adjustments relating to earlier years	-	-	33	4
Deferred Tax	9301	16191	9301	16191
<b>Profit before regulatory deferral account balances</b>	<b>102134</b>	<b>136166</b>	<b>103362</b>	<b>137434</b>
Net movement in regulatory deferral account balances (Net of tax)	(4382)	27138	(4382)	27138
<b>Profit for the Year</b>	<b>97752</b>	<b>163304</b>	<b>98980</b>	<b>164572</b>
<b>Other comprehensive Income</b>				
Items that will not be reclassified subsequently to profit or loss				
- Remeasurement of the net defined benefit liability/ asset	(197)	(255)	(197)	(255)
- Income tax on above item	34	89	34	89
Total	(163)	(166)	(163)	(166)
<b>Total Comprehensive Income for the period</b>	<b>97589</b>	<b>163138</b>	<b>98817</b>	<b>164406</b>

## 2. GENERATION

Gross Energy Generation from various operational plants of the Company during FY 2021-22 is as under: -

(Million Units (MU))

Plant	Design Energy	2021-22	2020-21
NJHPS	6612	7067.373	7098.925
RHPS	1878.08	1981.193	1995.335
KWPS	85.65	47.230	48.261
CSPS	7.68	8.595	7.219

(Million Units (MU))

Plant	Design Energy	2021-22	2020-21
SWPP	120.05	102.677	73.750
Wadhwal Solar	1.5	1.404	-
<b>Total</b>	<b>8705.41</b>	<b>9208.472</b>	<b>9223.490</b>

Generation Records & Milestones achieved during FY 2021-22 include:-

- SJVN achieved the Highest Ever Monthly Generation of 1580.426 MU in July, 2021 from all plants.
- NJHPS achieved the Highest Ever Monthly Generation of 1216.565 MU in July, 2021.
- NJHPS achieved Highest Ever Daily Generation of 39.493 MU on 16.08.2021.
- RHPS achieved Highest Ever Monthly Generation of 335.695 MU in July, 2021.
- Highest Ever Quarterly (Q2) Generation of 4404 MU achieved in 2<sup>nd</sup> quarter FY 2021-22 surpassing the previous best of 4392 MU in the corresponding period of Last Year.
- Highest Ever Quarterly (Q3) Generation of 1480 MU achieved in 3<sup>rd</sup> quarter of FY 2021-22 surpassing the previous record of 1344 MU of FY 2019-20.

## 3. REVENUE AND PROFITS

The standalone revenue from operation decreased by ₹68.87 crore to ₹2421.96 crore during the financial year 2021-22 compared to ₹2490.83 crore during the previous year. The standalone Profit After Tax (PAT) decreased by ₹655.52 crore to ₹977.52 crore against ₹1633.04 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 have resulted in increase in profit of consolidated group by ₹12.13 crore mainly due to inclusion of profit of SJVN Arun-3 Power Development Company Pvt. Ltd. and proportionate share of profit of CPTC.

## 4. TRANSFER TO RESERVES

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

## 5. DIVIDEND

During the year, an interim dividend of ₹1.15 per share has been paid in the month of February 2022. In addition, your Board has recommended a final dividend of ₹0.55/- per Share. Thus, subject to your approval, a total dividend of ₹1.70 per share (₹668.07 crore) is proposed to be paid for FY 2021-22 against ₹2.20 per share (₹864.55 crore) paid during the previous year.

## 6. PROGRESS OF PROJECTS (HYDRO &amp; THERMAL)

## I. 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 run-of-the-river scheme with 4 hours peaking and is designed to 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 the commissioning and thereafter it will be handed over 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 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 the PDA, Project is scheduled to be completed within 5 years reckoned from the 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 the 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** comprising of Civil Works in Dam complex area and 3.1 km Head Race Tunnel (HRT) was awarded to M/s Jaiprakash Associates Ltd. on 22.09.2017. Work is in progress at all the fronts. Diversion of River was completed on 01.02.2021. Dam excavation in left bank, right bank and Dam pit is in progress and 96% has been completed. Intake tunnels have been completed and construction of Intake structure is in progress. HRT heading in this package has been completed and 50% benching has also been completed. Overt lining is also in progress with 25% being already completed.

**Civil Package-2** comprising of Civil Works in Power House and 8.6 km Head Race Tunnel (HRT) was awarded on 19.03.2018 to M/s Patel Engineering Ltd. and Contract agreement was signed on 29.03.2018. All access adits to HRT, Power House, Pressure Shafts, Machine Hall, Transformer Hall and Butterfly Valve House have been completed. Excavation of Transformer Hall, Butterfly Valve House and Collection Gallery have been completed. Progress at all other fronts is in advance stage. 99% excavation of Machine Hall and 31% excavation of Surge Shaft has been completed. Pressure Shafts and TRT is being excavated. Excavation and lining of HRT is in progress; 54% heading, 11% benching and 3% overt lining has been completed. Overall in both C-1 and C-2 packages 66% heading and benching excavation of HRT have been completed.

**HM Package and EM Package** were awarded on 11.04.2018 and 30.04.2018 respectively. Procurement/ fabrication of different components is in advance stage. Supply of HM and EM components is in progress.

**Construction Power:** Construction of 33 kV Transmission Line (46 km) for Construction Power has been completed. Line has been charged upto 30 km and charging of balance line is in progress.

**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. However, the Substation within India is changed to Sitamarhi. 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 being 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. 33% Tower foundations & 22% erection of Towers have been completed and balance work is in progress.

#### ii) **Naitwar Mori HEP (60 MW):**

Naitwar Mori Hydro Electric Project (60 MW) is located on Tons River, a major tributary of Yamuna in Uttarkashi district of Uttarakhand. It is designed as run-of-the-river Project and has a potential to generate 213 MU 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, GoI on 02.03.2010. Environment clearance was accorded on 16.06.2016 and Forest clearance Stage-II 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 GoI on 16.10.2017 at December, 2016 price level and Project is to be completed in 48 months from date of award of Major Civil works.

Hon'ble Union Minister of State for Power (Independent Charge) and Hon'ble Chief Minister of Uttarakhand laid the foundation stone of the Project at Mori on 30.03.2018. Main works are divided into three packages namely – Civil works (Package-1) i.e. Barrage, Desilting Tank, Intake and Power Channel, 4.33 km HRT, Surge Shaft, Power House, TRT; Hydro Mechanical works (Package-2) and Electro Mechanical works (Package-3).

**Main Civil Works** at various fronts are in full swing. Excavation work of all major components has been completed. 99% Barrage concreting, 94% Desilting tank concreting, 83% HRT overt lining and 8% HRT invert lining has been completed. Excavation of Pressure Shaft completed and erection of Steel liner is in progress. Concrete lining of Surge Shaft is in progress and 14% has been completed. In Machine Hall, pit free of both the Units achieved and EM works are under progress. 11% lining of both Draft Tubes and excavation of both shafts for DT gates and Bus duct in Transformer Hall completed.

**Hydro-Mechanical works** package was awarded on 18.04.2018 to M/s GMW Private Ltd. Approval of design and drawings have been accorded. Major HM components have been received at site and supply of remaining components is in progress. Erection of Radial Gate in bay-1 and bay-2 completed and is under progress in bay-3. Erection of Steel liner in Pressure Shaft is in progress.

**Electro-Mechanical works** package was awarded on 11.06.2018 to M/s Voith Hydro Private Ltd. Major EM components have been received at site and supply for remaining components is in progress. EOT Crane was erected on 04.01.2022 and is functional. Pit free for both the Units has been achieved and erection of EM components is in progress.

**Power Evacuation System of NMHEP:** LoA for construction of 220 kV Transmission line from NMHEP Switchyard to HPPTCL network at Snail was 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), tree enumeration work completed and connectivity granted by HPPTCL. Forest Clearance Stage-1 & 2 for Himachal Pradesh region and





Uttarakhand region FC Stage-1 have been accorded.

**iii) Buxar Thermal Power Project (1320 MW):**

MOU was signed between SJVN, Bihar State Power Holding Company Limited and Bihar Power Infrastructure Company for the development of 1320 MW Thermal Power Project at village Chausa in District Buxar of Bihar on 17.01.2013. SJVN acquired the Project executing Company 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 accorded Environment Clearance on 28.02.2017. 1058.33 acre private land for Project components was transferred in the name of STPL on 12.12.2017. Consent to Establish (NOC) was granted by Bihar State Pollution Control Board on 03.09.2019.

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

**Main Plant works:** Single EPC package was awarded to M/s L&T on 22.06.2019 and construction activities are in progress. Area grading work in Main Plant area is in progress, 81% excavation and 54% filling has been completed. 82% piles for various components, 28% structure erection for Boiler-I and 7% structure erection for Boiler-II has been completed. Structure erection work of Boiler-I & II, ESP-I & II, STG I & II, DM plant and CHP system is in progress. Chimney work is in progress and 32% has been completed.

**Rail Infrastructure:** The DPR for Rail infrastructure was approved by East Central Railway (ECR), Hazipur on 05.09.2019. For Coal linkage, Amrapali and Magadh coal blocks have been identified as source by Central Coalfields Ltd. (CCL) and Fuel supply agreement was signed with Central Coalfields Ltd on 27.07.2021. Work is divided into seven packages out of which 4 packages (Package- 1 to 4) have been awarded and tendering work for remaining packages is in process. Supply of Rails (Package-1) and PSC Sleepers (Package-2) has been completed. Railway siding work inside plant & railway land (Package-3) and Civil works for outside plant area & Private land (Package-4) are also in progress.

**Power Evacuation system:** Power Purchase Agreement (PPA) for the Project was signed with Bihar State Electricity Board (later Bihar State Power Holding Company Limited, BSPHCL) for 85% share of Power at bus bar rate. PPA (supplementary agreement) signed with BSPHCL on 09.04.2021 for construction of Transmission Lines for Power evacuation. Grant of Connectivity for Power Transmission from Buxar TPP was accorded by Bihar State Power Transmission Company Ltd. (BSPTCL) on 11.03.2022. Power evacuation system is divided into 4 Transmission line packages. LoA for all four lines has been issued by BSPTCL. Tower foundation and erection work is 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.

**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. Concession agreement was signed between KHEL and RGoB on 29.06.2020.

Infrastructure works i.e. Bridges, Approach roads, Transmission Line & substation for construction power and site offices have been completed.

Main Civil works were 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.

For debt funding of project, MoU has been signed between KHEL and consortium of PFC Ltd. & REC Ltd., India on 09.03.2021. Negotiation on terms & conditions with Consortium is in process.

**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 Nirath spread over Shimla and Kullu Districts of Himachal Pradesh. The project will generate 758 MU of electric energy in a 90% dependable year.

Investment approval amounting to Rs. 1810.56 Cr for main works accorded on 20.11.2020 with completion period of 62 months from date of investment approval. Foundation stone laid by Hon'ble Prime Minister on 27.12.2021. Financial closure of the project has been achieved on 28.02.2022 and agreement signed with State Bank of India.

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) and works at various fronts are in full swing. Bailey bridge for river crossing has been completed. Diversion tunnel (617 m) has been completed and river has been successfully diverted on 25.06.2022. Stripping of right bank for Dam, Power house and TRC up to EL. 820m is in progress and 46% work completed. Infrastructure works i.e. bailey bridge and approach roads completed. Construction of permanent steel truss bridge (84m) for river crossing is in progress.

For EM package, work awarded to M/s Voith Hydro on 16.07.2021 and contract agreement signed on 12.08.2021. Layout plan of power house, model test procedure and EOT deign memo of Power House and GIS have been approved. Construction of store at site is in progress.

Diversion of NH-5 (1.36 km) is required for project construction which is being carried out through HPPWD and other related activities i.e. Trace cutting, bench development and stabilization are in progress.

Private land for construction of project is being purchased directly from land owners and some patches of land are being acquired as per LARR Act. Out of 13.90 ha private land being







purchased directly, 12.64 ha purchased. Private land being acquired through Act for which R&R award and land acquisition award u/s-31 of LARR for Kullu district has been issued and for Shimla district R&R plans have been approved by Deputy Commissioner.

For Power evacuation, tender for construction of transmission line from switchyard to common pooling station (ISTS network) at Nanj is in progress.

#### 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 was signed with Govt. of Himachal Pradesh on 25.09.2019.

Investment approval amounting to Rs. 687.97 Cr for main works accorded on 01.10.2020 with completion period of 54 months from date of commencement of construction works. Foundation stone laid by Hon'ble Prime Minister on 27.12.2021. Financial closure of the project was achieved on 18.04.2022 and agreement signed with H.P. State Cooperative bank.

Construction of approach road to Dam site (3.125 km) and other approach roads to work fronts have been completed. Construction power as required is available at site. Construction of office building at site has been completed and construction of non-family accommodation is in progress.

EPC package for main Civil & HM works has been awarded to M/s Rithwik Projects Pvt Ltd., Hyderabad on 06.05.2021. Excavation of diversion Tunnel completed on 23.12.2021 and river diverted on 15.02.2022. Excavation of u/s coffer dam completed on 13.04.2022 and concreting is in progress. Stripping of banks for construction of dam in progress, cumulative 63% stripping work completed. Excavation of Powerhouse is in progress and 50% excavation work is completed.

For EM package, work awarded to M/s Voith Hydro on 19.01.2022 and contract agreement signed on 11.02.2022. Kick-off meeting held on 20.04.2022.

Essential Private land (3530 kanal) as required for project has been directly purchased from land owners and 2301 kanal of Govt. land will be taken on lease basis which is under process of approval with GoHP.

For Power evacuation, work for construction of transmission line from switchyard to switching station at Sujampur awarded on 14.06.2022 to M/s KEC International Ltd.

## II. **PROJECTS UNDER PRE- CONSTRUCTION, SURVEY & INVESTIGATION STAGES: -**

### i) **Sunni Dam HEP (382 MW):**

Sunni Dam HEP is a run-of-the-river 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. Govt. of H.P. re-allotted the project on "Stand Alone Basis" to SJVN on 29.08.2017. Investment approval for carrying out pre-construction activities amounting to Rs 85.09 crore accorded by Gol on 18.04.2018. MOU was signed with Govt. of Himachal Pradesh on 25.09.2019. Ground breaking ceremony of project was presided over by Hon'ble Prime Minister on 27.12.2021.

DPR of project has been concurred by CEA on 11.02.2021. Forest Clearance Stage-1 (FC-1) and Environmental Clearance accorded by MoEF&CC on 22.12.2021 and 04.02.2022 respectively. For FC-2, compliance report of FC-1 has been submitted to MoEF&CC on 11.02.2022 and is under process of approval.

For acquisition of private land, notification under section -11 of LARR Act has been issued by GoHP on 19.01.2021. Land compensation cost has been deposited and objection hearings under section-15 for both districts completed. R&R plans are under formulation/ approval with State Administration.

For evacuation of power from project, location of common pooling station has been finalized by CEA at village Nanj. Identification of land required for transmission line up to common pooling station has been completed.

For investment approval of main works, proposal amounting to Rs. 2614.51 Cr. at March, 22 price level recommended by PIB on 27.01.2022. CCEA approval is under process with Gol.

Works for construction of exploratory drifts along Diversion Tunnel (DT) and Powerhouse complex have been completed. Works for construction of Office building and Bachelor accommodation have been awarded on 30.06.2021 and are in progress. Work for construction of steel truss bridge has also been awarded on 19.01.2022.

For main Civil and HM works, Award of work on EPC mode is under approval.

### 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. Govt. of H.P. re-allotted the project on "Stand Alone Basis" to SJVN on 29.08.2017. Investment approval for carrying out pre-construction activities amounting to Rs. 72.478 Cr. has been approved by Gol on 16.03.2018. MOU was signed with Govt. 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. After initial investigation, it was found that geology at existing location of project is not favourable. Accordingly, now an alternative scheme in tandem with u/s Luhri HEP stage-1 has been identified for which commercial viability is being established.

Process for statutory clearances i.e. Environmental Clearance, acquisition of private land, diversion of forest land etc are being initiated, however, same will be finalized only after finalization of DPR as per new scheme.

### 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. DPR of project with 252 MW installed capacity was concurred by CEA on 07.08.2012.

MoJS, Gol notified revised e-flows on 09.10.2018 for projects on River Ganga and tributaries. In order to comply the same, 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. Balance four chapters will be cleared after finalization of general layout and geotechnical investigations. Subsequently, in compliance to Ministry of Power letter dated 06.07.2021, all S&I activities which are required for revision of DPR are on hold till further order of Hon'ble Supreme Court of India. Matter is being followed up with MoP/ MoJS to consider the project for development.

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

For investment approval of pre-construction activities, consolidated proposal amounting to Rs. 299.29 Cr. including the cost of acquisition of Debal SHEP (5 MW) was submitted to MoP on 15.04.2021. CEA has vetted the cost on 17.01.2022 and same is under approval with MoP.

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. Detailed proposal has been submitted to GoUk on 23.03.2022.

**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 Rs 84.50 Cr. 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. Forest Clearance Stage-1 has been recommended by REC, MoEF&CC and case submitted to MoEF&CC for approval on 19.01.2022. Proposal is under process of approval.

For private land acquisition, R&R plan approved by Commissioner, Garhwal on 15.06.2021 and land compensation is under finalization.

Tariff of project is on higher side and matter was taken up with GoUk on 23.03.2022 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 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 Rs 93.24 Cr. 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.

Drilling and drifting works were awarded on 26.02.2021 and 17.03.2021 respectively and work of detailed Topographical survey awarded on 04.01.2021. Sensitization meetings in presence of Distt. Administration are being conducted to create awareness on direct and indirect project benefits for ensuring work continuity.

EIA/ EMP report for EC is under preparation. For diversion of forest land, proposal has been submitted to MoEF&CC on 14.04.2021. Various NOCs as required are being obtained for Distt. Administration. Application for Wildlife Clearance has been submitted to MoEF&CC on 27.04.2021 and recommended by State Board for Wildlife to National Board for Wildlife for final approval on 22.03.2022.

**vi) Reoli-Dugli HEP (456 MW):**

GoHP allotted this project with capacity of 430 MW in Chenab basin on 23.10.2019. Template MoU signed with GoHP on

06.11.2019. DPR of project has been prepared and submitted to CEA on 28.12.2021. After investigation, capacity of project has been revised to 456 MW against allotted capacity of 430 MW. Drilling work has been awarded on 20.07.2021 and is in progress.

ToR approval received from MoEF&CC on 18.03.2021. Consultant for Environmental Clearance has been hired and preparation of EIA/EMP report in progress. For diversion of Forest land, case submitted to MoEF&CC on 31.03.2022. CAT plan is under preparation.

Proposal for investment approval for pre-construction activities has been vetted by CEA and is under approval in MoP.

**vii) Purthi HEP (232 MW):**

GoHP allotted this project with capacity of 210 MW in Chenab basin on 09.08.2019. Template MoU was signed with GoHP on 25.09.2019. Project is in pre-DPR stage and six preliminary chapters submitted to CEA on 02.09.2020. 1st consultation meeting held on 20.10.2020. After investigation, capacity of project revised to 232 MW against allotted capacity of 210 MW. Drilling and drift works are under progress. Pre-DPR chapters are being prepared.

ToR approval accorded by MoEF&CC on 26.03.2021. Consultant for EC has been hired and preparation of EIA/EMP report in progress. CAT plan is under preparation.

Proposal for investment approval for pre-construction activities has been vetted by CEA and is under approval in MoP.

**viii) Bardang HEP (175 MW):**

GoHP allotted this project with capacity of 138 MW in Chenab basin on 09.08.2019. Template MoU was signed with GoHP on 25.09.2019. Project is in Pre-DPR stage and six preliminary chapters submitted to CEA on 30.09.2020. 1st consultation meeting held with CEA on 06.11.2020. After investigation, capacity of project revised to 175 MW against allotted capacity of 138 MW. Pre-DPR chapters are being prepared. Drilling and drift works for geotechnical investigations are in progress.

ToR approval accorded by MoEF&CC on 26.03.2021. Consultant for EC has been hired and preparation of EIA/EMP report in progress. CAT plan is also under preparation.

**ix) Sach Khas HEP (287 MW):**

GoHP allotted this project with capacity of 267 MW in Chenab basin on 05.01.2021. Project is in pre-DPR stage and six preliminary chapters submitted to CEA on 21.09.2021. 1st consultation meeting held on 06.01.2022. After investigation, capacity of project revised to 287 MW against allotted capacity of 267 MW.

ToR accorded by MoEF&CC on 04.03.2022. Consultant for EC has been hired and preparation of EIA/EMP report is in progress.

**x) Tandi - Rashil HEP (268 MW)**

Tandi HEP and Rashil HEP were allotted by GoHP with capacity of 104 MW and 130 MW respectively in Chenab basin on 05.01.2021. After preliminary studies, a single scheme of 268 MW Tandi - Rashil HEP was found to be more techno-economic feasible and was approved as such by GoHP on 02.07.2022.

**xi) Lower Arun HEP (669 MW), NEPAL**

Lower Arun HEP was allotted by Govt. of Nepal with capacity 679 MW on 04.02.2021. The project is situated in the Sankhuwasabha and Bhojpur districts of Eastern Nepal on river Arun, downstream of existing Arun-3 HEP (900 MW) which is under construction by SAPDC (wholly owned subsidiary of SJVN). The project is envisaged to be constructed in Tandem with Arun-3 HEP.

DPR of the project was submitted to Investment Board of Nepal,







GoN on 31.10.2021 and approval was accorded on 31.03.2022. DPR also submitted to CEA on 19.11.2021 and is under examination.

Investment approval for pre-construction activities has been accorded by MoP, Gol on 02.03.2022.

#### xii) Hydro Power Projects in Arunachal Pradesh

MoP, Gol has identified 5 Hydro Power Projects i.e. Etalin HEP (3097 MW), Attunli HEP (680 MW), Emini (500 MW), Amulin (420 MW) and Mihumdon (400 MW) totalling 5097 MW in Dibang basin of Arunachal Pradesh for allocation to SJVN. Meeting with Hon'ble Chief Minister of Arunachal Pradesh was held on 29.12.2021. Discussions with Govt. of Arunachal Pradesh for finalization of terms & conditions for allotment are in progress. Consultant has been hired to carry out due diligence process for Etalin & Attunli HEPs.

#### xiii) Arun-4 HEP (490 MW)

Arun-4 Hydro Electric Project is a run of the river type scheme proposed to harness the hydel potential of river Arun. For the development of Arun-4 HEP in a Joint Venture, a Memorandum of Understanding was signed between SJVN and Nepal Electricity Authority (NEA), in the esteemed presence of Honorable Prime Ministers of India & Nepal at Lumbini, Kapilavastu, Nepal on 16.05.2022.

Project registered with CEA on 08.07.2022. Draft PIB for Investment approval of pre-construction activities submitted to MoP on 22.07.2022 is under process. Draft JV Agreement submitted to NEA on 11.07.2022 is under finalization.

## 7. PROGRESS OF PROJECTS (RENEWABLE ENERGY)

SJVN is fast expanding its foot prints in the field of Renewables and aims for adding 1 to 1.5 GW Capacity on annual basis. In order to give a thrust to its renewable endeavours, SJVN has registered a Wholly owned Subsidiary namely "SJVN Green Energy Limited" on 30.03.2022.

The Renewable portfolio at present stands at 3.74 GW which includes Operational (103.2 MW), Construction (1270 MW), Pre-Construction (850 MW), S&I (1489 MW) & Pre-Award (33 MW).

### I. PROJECTS UNDER OPERATION (103.2 MW)

#### i. Charanka Solar Power Station

SJVN's 5.6 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 12998 RECs (Renewable Energy Certificates) have been traded in FY 2021-22 and on cumulative basis 33305 RECs. The project has generated 8.595 MUs in the FY 2021-22.

#### ii. Khirwire Wind Power Station

SJVN has set up its first Wind Power Project of 47.6 MW capacity at Khirwire / Kumbhalne 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<sup>th</sup> January 2014, with the commissioning of 1<sup>st</sup> lot of 25 WEGs and attained full generation capacity by commissioning the last 56<sup>th</sup> WEG on 20.05.2014. The project has been registered with IREDA for availing Generation Based Incentive @ ₹0.50 / kWh with a cap of ₹1 Crore per MW. Total Gross Generation from the plant for FY 2021-22 was 47.230 MU.

#### iii. Sadla Wind Power Project

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. PPA was signed with Gujarat Urja Vikas Nigam Limited for 38 MW on 30.01.2018 and for balance 12 MW on 30.03.2019. The project has been fully commissioned on 18.04.2019. Total 102.677 MU had been generated in FY 2021-22.

### II. PROJECTS UNDER CONSTRUCTION (1270 MW)

Presently, SJVN Ltd has Five solar power projects under construction with total capacity of 1270 MW in Uttar Pradesh, Rajasthan and Gujarat respectively (listed below).

#### i. Parasan Solar Park Project

Parasan Solar Park Project of 75 MW of capacity was bagged through Open Competitive Bidding conducted by Uttar Pradesh New & Renewable Energy Development Agency (UPNEDA) on 17.05.2021 and PPA was signed with UPNEDA at a tariff of INR 2.68 per unit. The EPC work was awarded to M/s Solar World Energy Solution Pvt Limited. The project is in advance stage of construction and is likely to be commissioned by September 2022.

#### ii. Bagodra Solar Power Project

Bagodra Solar Park Project of 70 MW of capacity was bagged through Open Competitive Bidding conducted by Gujarat Urja Vikas Nigam Limited on 26.03.2021. PPA was signed with GUVNL at tariff of INR 2.21 per unit. The EPC was awarded to M/s Refex Energy Limited. The project is in construction stage and is likely to be commissioned by December 2022.

#### iii. 1000 MW Solar Project under CPSU Scheme

SJVN during the month of September 2021 bagged 1000 MW Solar Project at a tariff of INR 2.45/Unit and a Viability Gap Funding (VGF) of 44.72 Lakh/MW through competitive bidding under the CPSU Scheme. The EPC was awarded to M/s TATA Power Solar System Limited. The project is in construction stage and is likely to be commissioned by January 2024.

#### iv. 75 MW Gurhah Solar Power Project

SJVN through competitive bidding conducted by Uttar Pradesh New & Renewable Energy Development Agency (UPNEDA) bagged 75 MW Solar Power Projects. PPA has been signed with UPNEDA at a tariff of INR 2.98/Unit. The EPC work was awarded to M/s Solar World Energy Solution Pvt Limited. The project is in construction stage and is likely to be commissioned by May 2023.

#### v. 75 MW Gujrai Solar Power Project

SJVN through competitive bidding conducted by Uttar Pradesh New & Renewable Energy Development Agency (UPNEDA) bagged 50 MW Solar Power Projects. PPA has been signed with UPNEDA at a tariff of INR 2.98/Unit. The EPC work was awarded to M/s Solar World Energy Solution Pvt. Limited. The project is in construction stage and is likely to be commissioned by May 2023.

### III. PROJECTS UNDER PRE-CONSTRUCTION (850 MW)

#### i. 200 MW BREDASolar Project

SJVN through open competitive bidding conducted by Bihar Renewable Energy Development Agency (BREDA) bagged 200 MW Solar Power Project in Bihar. Project has been bagged at a tariff of INR 3.11/Unit. The project is under tendering stage for award of EPC works.

#### ii. 100 MW Raghnesda Solar Project

SJVN through Open Competitive Bidding conducted by Gujarat Urja Vikas Nigam Limited (GUVNL) bagged 100 MW Solar Power Project to be developed in Raghnesda Solar Park in Gujarat. PPA has been signed with GUVNL at a tariff of INR 2.64/Unit. The L-1 bidder has been discovered after e-RA.

#### iii. 100 MW GUVNL Phase-XIII Solar Project





SJVN through Open Competitive Bidding conducted by Gujarat Urja Vikas Nigam Limited (GUVNL) bagged 100 MW Solar Power Project in Gujarat. PPA has been signed with GUVNL at a tariff of INR 2.29/Unit. The project is under tendering stage for award of EPC works.

**iv. 90 MW Omkareshwar Floating Solar Project**

SJVN through Open Competitive Bidding conducted by Rewa Ultra Mega Solar Ltd. (RUMSL) bagged 90 MW Floating Solar Project at Indira Dam, Omkareshwar, Madhya Pradesh. PPA will be signed with MPSPCL at a tariff of INR 3.26/Unit. The project is under tendering stage for award of EPC works.

**v. 100 MW PSPCL Solar Project**

SJVN through Open Competitive Bidding conducted by Punjab State Power Corporation Limited (PSPCL) bagged 100 MW Floating Solar Project in Punjab. PPA has been signed with PSPCL at a tariff of INR 2.65/Unit. The project is under tendering stage for award of EPC works.

**vi. 260 MW GUVNL Phase -XIV Solar Project**

SJVN through Open Competitive Bidding conducted by Gujarat Urja Vikas Nigam Limited (GUVNL) bagged 260 MW Solar Power Project in Gujarat. PPA will be signed with GUVNL at a tariff of INR 2.3031/Unit. The project is under tendering stage for award of EPC works.

**IV. PROJECTS UNDER SURVEY & INVESTIGATION (1489 MW)**

**i. 880 MW Kaza Solar Park**

Ministry of New & Renewable Energy (MNRE) has designated SJVN as the Solar Power Park Developer (SPPD) of 880 MW Kaza Solar Park in Himachal Pradesh. Detailed Project Report (DPR) of the project has been submitted to MNRE in May 2022. The project is likely to be commissioned by end December 2025.

**ii. 400 MW Kinnaur Solar Park**

Ministry of New & Renewable Energy (MNRE) in the month of February 2022 has designated SJVN as the SPPD of 400 MW Kinnaur Solar Park in Himachal Pradesh. The project is under initial stage of Survey and Investigation.

**iii. 209 MW Solar Projects (5 Nos.) in Himachal Pradesh**

5 nos. of Solar projects are in survey & investigation stage of development in the state of Himachal Pradesh.

**V. PROJECTS UNDER PRE-AWARD STAGE (33 MW)**

SJVN through Open Competitive Bidding Process has emerged as L-1 bidder in the following solar projects.

- a) BBMB 15 MW (Floating Solar)
- b) BBMB 18 MW

Letter of Awards for these projects are likely to be issued shortly.

**VI. FUTURE ENDEAVORS**

Hon'ble Prime Minister of India has set an ambitious renewable energy target i.e., 175 GW by 2022 and 500 GW by 2030. Aligned with the same, SJVN also aims to become a 5000 MW company by 2023, 25000 MW by 2030 and 50000 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, Ocean Hybrid Platforms Pan India. These opportunities are generally in the form of Competitive Bidding processes. SJVN is looking forward for participation in various other upcoming competitive Bidding processes for Solar, Wind and Hybrid (Solar + Wind) to add projects at rate of 1-1.5 GW per year. In addition, SJVN is also looking forward for direct allocation of Projects from Government Agencies.

**8. SUBSIDIARIES AND JOINT VENTURE COMPANIES**

**A) SUBSIDIARY COMPANIES:**

Company has three wholly owned subsidiary companies as on 31.03.2022. The details of the subsidiaries are as under:

**1. SJVN Thermal Pvt. Ltd.**

SJVN Thermal Pvt. Ltd (STPL) (Earlier, Buxar Bijlee Company Private Limited) has been acquired as 100% subsidiary company of SJVN Ltd on 04.07.2013. The Company has taken up the development of 1320 MW Coal based Thermal Power Project located near village Chausa in District Buxar of Bihar. The cumulative expenditure incurred up to 31.03.2022 is Rs. 4865.32 Cr. The paid-up share capital as on 31.03.2022 is Rs 2511.68 Cr. (previous year: Rs 1896.68 Cr).

**2. SJVN Arun-3 Power Development Company Pvt. Ltd.**

SJVN Arun-3 Power Development Company Pvt. Ltd. (SAPDC) was incorporated in Nepal as a wholly owned subsidiary company of SJVN Ltd on 25.04.2013. The company has been formed to execute the 900 MW Arun-3 Hydro Electric Project in Nepal. This project is situated on river Arun in Sankhuwasabha District of Nepal. The cumulative expenditure incurred up to 31.03.2022 is Rs. 2703.06 Cr. The paid-up share capital as on 31.03.2022 is Rs 2105.41 Cr (previous year: Rs 1360.67 Cr).

**3. SJVN Green Energy Limited (SGEL)**

SJVN Green Energy Limited (SGEL) has been incorporated as a wholly owned subsidiary company of SJVN Ltd on 30.03.2022 with its registered office at Shimla, Himachal Pradesh. SGEL shall work in the verticals of power generation from renewable sources such as Solar Parks, Wind & Hybrid Projects, Battery Energy Storage system, Biomass, small Hydro and Green Hydrogen based business ventures.

**B) JOINT VENTURES:**

SJVN has two joint ventures as on 31.03.2022. The details of the Joint Ventures are as under:

**1. Kholongchhu Hydro Energy Limited:**

Kholongchhu Hydro Energy Limited (KHEL) was incorporated in Bhutan on 12.06.2015 as joint venture Company of Druk Green Power Corporation Ltd, Bhutan (DGPC) and SJVN Ltd. having 50% shareholding each. The Company is formed for the construction of 600 MW Kholongchhu Hydro Electric Project on river Kholongchhu. SJVN has invested cumulative amount of Rs. 240.43 Cr. as on 31.03.2022 (Previous Year Rs 190.43 Cr.).

**2. 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) and Nepal Electricity Authority (NEA) for implementation of Indian portion of the transmission line from Nepal. Equity contributions by SJVN, PGCIL, and IEDCL & NEA are 26%, 26%, 38% & 10% respectively in the Joint Venture Company. SJVN has invested Rs. 12.61 Cr. as on 31.03.2022 in the joint venture. Transmission line is under operation since February 2016.

**9. 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), Govt. of India (GoI) concerning identification and mitigation of environmental impacts of projects. To achieve sustainable development, studies like Environmental Impact Assessment (EIA) and Environment Management Plan (EMP), which are a part of the Comprehensive Environmental Impact Assessment Study, are carried out through highly reputed organizations/NABET





accredited-consultants. All environmental aspects are suitably addressed in the Environment Impact Assessment. Accordingly, an Environment Management Plan is prepared and 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 Hydro Power Station (NJHPS) (1500 MW) and Rampur Hydro Power Station (RHPS) (412 MW) in Himachal Pradesh which are under operation wherein management measures such as Catchment Area Treatment (CAT), Compensatory Afforestation (CA), Muck Management, Restoration of muck disposal sites, quarry sites and construction areas, Green belt development, Biodiversity Management, Fisheries Management, etc. were successfully undertaken. Regular environmental monitoring is done at SJVN projects and six-monthly compliance reports of Environment Clearance are sent to MoEF&CC and other concerned authorities.

SJVN has two projects in construction stage in Himachal Pradesh – Luhri Stage-I HEP (210 MW) and Dhaulasidh HEP (66 MW). At Luhri Stage-I HEP, Environment Management Plan amounting to Rs. 148.60 crore is being implemented. Further, a Corporate Environment Responsibility (CER) plan amounting to Rs. 8.6 crore is also being implemented to address concerns of local population. At Dhaulasidh HEP, Environment Management Plan amounting to Rs. 34.14 crore is being implemented.

Further, SJVN has one project in Uttarkashi District, Uttarakhand which is in advanced-stage of construction namely, Naitwar Mori Hydro Electric Project (NMHEP) (60 MW) located on Tons River, wherein Rs. 42.55 crores have been spent so far against a financial provision of Rs. 32.48 crores on implementation of various environmental management measures, which were appreciated by Government officials during the last Multi-Disciplinary Committee (MDC) meeting. The same have been briefly brought out below:

- For the implementation of the CAT plan, Rs. 12.96 Crores have been deposited against the CAMPA fund. An amount of about Rs. 140.68 lakh have been utilized by Uttarakhand Forest Department against implementation of CAT Plan till date.
- As part of the diversion of forestland, CA over 80.00 ha of civil soyam and forest land has been carried out for which Rs. 1.84 crores have been deposited by SJVN with the CAMPA fund. An amount of Rs. 67.74 lakh have been spent so far against CA works by the Uttarakhand Forest Department.
- Biodiversity Conservation and Management Plan has been prepared by the State Forest Department, against which an amount of Rs. 43 lakhs have been deposited by SJVN with the Uttarakhand Forest Department. An amount of about Rs. 22.38 lakh have been spent so far against Biodiversity Conservation and Management Plan by the Uttarakhand Forest Department.
- Under the Fisheries Management Plan, a fish pass, for migratory fish species in the river, is proposed. 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 implemented as per the provisions in the EIA / EMP Report and in line with MOEF&CC guidelines.
- To avoid landslides and soil erosion, Reservoir Rim

Treatment is being implemented, and currently retaining walls are being constructed.

- Noise levels, ambient air quality and water quality of the project area are being regularly 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.
- Bio composter & Plastic waste bailing machine have been procured for treatment of solid waste from project affected villages and project colony.
- Towards sustainable development, AAC bricks (having fly ash content about 68%) is being used in the construction of township & office building.
- To avoid indiscriminate felling of trees, canteen facility is being provided by contractor to the labour force engaged in construction activity of the project.
- For energy conservation, energy efficient BEE 5 Star rating electrical appliances have been procured.
- Environment Management System/ISO 14001 is being implemented.

In addition to the above, SJVN has put up a Grid-connected, 1 MW Solar Power Plant at Nathpa Jhakri Hydro Power Station near Wadhwal, Shimla District. 120 kWp On-Grid Solar Power Plant has already been installed and successfully operating at Corporate Headquarters (CHQ), Shimla. Further, Water Solar Heating System of 5000 Ltr. Capacity has also been installed and hot water is being used in the building through this system only. SJVN Corporate Headquarters (CHQ) is designed and constructed with state-of-the-art technology with green building concept equipped with Sewage treatment plant of 90 KLD per day capacity for waste water recycling, rain water harvesting system with capacity of 50 KL, Natural lighting with provision of Sky light Glasses, fully centralized HVAC system, intelligent/automatic sensor-controlled illumination system for conservation of electricity. Further, a Bio-Diversity Park, under CSR initiative is also being developed in association with Municipal Corporation to create mass awareness and sensitivity for the environment.

Energy Audit of SJVN CHQ building has been conducted on FY 2021-22 and recommendation of Energy Audit like improvement of power, use of LED lights in automation system etc. are being implemented. The audit will be conducted after every three years.

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

Pledge for environment protection/conservation and talks on environmental aspects were also delivered by heads of projects / power stations to spread awareness and sensitivity about environmental issues. In addition to above, slogan-writing, drawing, photography competitions, awareness programmes, etc. were undertaken and environmental awareness films were also screened for employees. Large scale plantation programs were undertaken across various locations in and around project areas.

## 10. 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 2021-22 in format prescribed under Companies (CSR Policy) Rules 2014 is annexed as **Annexure-V** and forms an integral part of this Directors' Report.

**11. 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.

**Nathpa Jhakri Hydro Power Station (NJHPS) and Rampur Hydro Power Station (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 sections 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, technical education Scheme to the local youth, 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 Rs.55.26 Crores have been spent for carrying out various infrastructural development works under the Local Area Development Fund (LADF) policy of GOHP.

**Naitwar Mori Hydro Electric Project (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 and simultaneously, for the concurrent monitoring of implementation of aforesaid provision of R&R Plan of NMHEP, the External Monitoring Committee i.e. M/s DAV PG College Dehradun has been hired/appointed by the Administrator-cum-ADM Uttarkashi on 30.12.2021.

**Luhri Hydro Electric Project Stage-I (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) falling under district Shimla and district Kullu. The R&R plan for affected families of Distt. Kullu approved by Divisional commissioner Mandi, has been notified whereas the R&R Plan for affected families of District Shimla is under process of finalization and approval of Govt. of HP.

**Luhri Hydro Electric Project Stage-II (LHEP Stage-II):** Acquisition of land for construction of 172 MW LHEP Stage-II under Section 8(2) of RFCTLARR Act-2013 has been initiated. Award for SIA study is under process.

**Sunni Dam Hydro Electric Project (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 Govt. of Himachal Pradesh. Accordingly, the R&R plan is under progress to be finalized by Govt. of HP.

**Dhaulasidh Hydro Electric Project (DSHEP):** The R&R plan





of 66 MW Dhaulasidh Hydro Electric Project, HP has been approved by GOHP. A committee consisting of members from HPPWD & Revenue Deptt. of GOHP is evaluating the R&R benefit to be disbursed.

**Buxar Thermal Power Project (BTPP):** In 1320 MW Buxar Thermal Power Project (BTPP) in Bihar, the acquisition of private land has been completed and compensation of land has been paid as per the provision under RFCTLARR Act, 2013. Rehabilitation and Resettlement policy formulated by Indian Institute of Social Welfare Business Management (IISWBM), Kolkata has been approved by Govt. of Bihar.

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

**Devsari Hydro Electric Project (DHEP):** In Devsari Hydro Electric Project (DHEP) 194 MW, Uttarakhand, the land acquisition process under RFCTLARR Act, 2013 is in progress. The R&R plan for Project Affected Families (PAFs) was 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 Govt. of Uttarakhand has approved the R&R Plan and declared the Award for 27.462 hectares Private land. District Administration is collecting the details of individual beneficiaries like Adhaar Card, Bank Account details etc. for disbursement of land compensation amount amongst landowners.

**Social Impact Evaluation (SIA):** The Social Impact Evaluation (SIA) studies of R&R implementation of NJHPS and RHPS was 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 project.’

**12. RESEARCH AND DEVELOPMENT**

SJVN in its commitment towards Research and Development, Innovation, Technology up-gradation, and Product Development in its core area of Power Generation has been consistently striving for excellence.

Specific areas in which R&D/Innovations have been carried out during FY 2021-22 are:

**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, following topic has been finalised by SJVN for R&D with IIT Mandi:

‘Study for the optimum height of lift for mass concreting in concrete dam structure’

A total 28 no. R&D/innovative measures were taken at Project sites & Corporate Headquarter of SJVN to enhance the operational efficiency of the company. The total expenditure by

SJVN for R&D/ innovations initiatives works for the FY 2021-22 was INR 30.12 Cr. (including taxes). The major innovative initiatives are as below:

- Excavation of exploratory drift for Diversion Tunnel, Main Access Tunnel, Pressure Shaft, Transformer Hall and Tail Race tunnel of Sunni Dam HEP.
- 3D Scanning, modelling & engineering for reclamation of blade segment of Francis runner of NJHPS.
- Reclamation of the Francis runners of NJHPS through in-situ machining, drilling, tapping of holes.
- Application of Epoxy based polymer coating over M80 Grade Concrete to prevent the damage of invert portion of flip bucket of dam spillway.
- Establishment of HP-HVOF ceramic coating facility for silt mitigation at NJHPS.
- Design & implementation of early warning system in Satluj river basin.
- Development of Nitrogen filled LV Bushings for Generator Transformers of RHPS.
- Upgradation of luminaries to flame proof & explosion proof in the sensitive locations to mitigate any possibility of explosions due to presence of combustible gas leakage inside power plant (RHPS).

**13. HUMAN RESOURCES**

The total manpower on the rolls of SJVN (Direct Recruits and Absorbed employees) as on 31.03.2022 was 1412 and the strength of HPSEB / HP Government employees on deputation on the above date was 49.

**Representation of Women Employees is as under:**

Group	Total Employees as on 31.03.2022	Number of Women employees	Percentage of overall staff strength
SJVN (DR + absorbed)	1363	147	10.78%
SJVN (Deputationists)	49	3	6.12%
<b>Total</b>	<b>1412</b>	<b>150</b>	<b>10.62%</b>

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

Group	Total Employees as on 31.03.2022	Physically Challenged Employees (DR + absorbed)				Percentage of Physically challenged employees
		VH	HH	OH	Total	
<b>Total</b>	<b>1412</b>	<b>07</b>	<b>07</b>	<b>16</b>	<b>30</b>	<b>2.20</b>

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

Group	Total Employees as on 31.03.2022	Representation (DR + absorbed)					
		SCs	SC%	STs	ST%	OBC	OBC%
<b>Total</b>	<b>1412</b>	<b>286</b>	<b>21%</b>	<b>97</b>	<b>7.12%</b>	<b>193</b>	<b>14.17%</b>

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

Under the training imparted to its employees during the financial year 2021-22, 54 Online programs, 57 In house programs and 46 External programs were conducted for which 2471 nominations were made. The trainings were imparted through organizations of national repute like IIMs, IITs, NAHRD, DNV GL ASCI, CBIP, and Tunneling Association of India, NEPTel, India Energy Storage Alliance (IESA), The Institute of Company Secretaries of India (ICSI), Directorate of Energy, H.P. Rock Science South Asia. The programs were conducted on topics





like Preventive Vigilance, Solar, Wind, Floating Solar, Battery Storage Systems, Thermal Power Plant Operation & Maintenance, Energy Meter Communication Control Protocol, Corporate Social Responsibility, Advance Management Development Programs, Companies Act 2013 and Corporate Governance, Conflict Management, Enterprise Risk Management, Advance O&M practice in Super Critical Thermal Power Plant, AutoCAD, Risk Management and its mitigation plans as per Risk Management Policy of SJVN, HV-Gas Insulated Switchgear, Power System Protection and Coordination, Environment Management and Sustainability, Pumps-Design, Operations & Maintenance, Technical Issues of Hydro Power, TLC/TCS/ SCADA for Power Plant Operations, Primavera P6, Contract Labour and New Labour Codes, Effective Communication and Presentation, Netiquettes, 5S & Kaizen and Gender Sensitivity, Capacity Building program for Estate Officers of SJVN, Power Plant Digitalization, etc. to mention a few.

To effectively percolate the Shared Vision and motivate its employees, various In-house/Online/External training programs were organized in all disciplines and at all the levels in SJVN.

Residential workshop was organized for SJVN Management on the Topic “Teaming Leadership-For Top Leaders” at Shirdi, (Maharashtra), from 17<sup>th</sup> March, 2022 to 21<sup>st</sup> March, 2022.

Motivational Talk was organized through renowned Motivational Speaker Mr. Sonu Sharma at SJVN, CHQ, Shimla, which was also relayed online for employees posted at various SJVN's Projects/offices located across in India/Nepal/Bhutan. Besides two more Motivational Talks were organized through Ms. Mary Kom and Ms. Anju Bobby George on the occasion of International Women's Day 2022 (i.e. on 8<sup>th</sup> March, 2022), which were attended by SJVN's Women employees posted at various projects/offices.

#### 14. INDUSTRIAL RELATIONS

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

#### 15. STATUTORY AND OTHER INFORMATIONS

The information required to be furnished as per the Companies Act 2013, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Government Guidelines, on the following matters is placed at respective annexures and form integral part of Directors Report: -

- a. Management Discussion and Analysis – **Annexure – I**
- b. Report on Corporate Governance – **Annexure – II**
- c. Certificate from Practicing Company Secretary on Corporate Governance Compliance – **Annexure – III**
- d. Information on Conservation of Energy, Technology Absorption and Foreign Exchange earnings and out go – **Annexure – IV**
- e. Annual Report on Corporate Social Responsibility & Sustainability – **Annexure – V**
- f. Business Responsibility Report – **Annexure – VI**
- g. ESG Report – **Annexure – VII**
- h. Certificate regarding Non-Disqualification of Directors – **Annexure – VIII**
- i. Secretarial Audit Report – **Annexure – IX**

- j. Form No. AOC-2 – **Annexure – XVII**

#### 16. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' state that:

- in the preparation of the annual accounts for the year ended March 31, 2022, 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, 2022 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.

#### 17. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS

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 under Regulation 25 (8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 18. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards during the Financial Year ending 31.03.2022.

#### 19. SEXUAL HARASSMENT PREVENTION

SJVN has implemented the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 in its entirety.

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

Summary of Sexual harassment issues raised, attended and dispensed during the year 2021-22 has been disclosed in Report on Corporate Governance.

#### 20. 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](http://www.sjvn.nic.in).

## 21. SECRETARIAL AUDIT

The Board appointed Shri Santosh Kumar Pradhan, Practicing Company Secretary, to conduct Secretarial Audit for the Financial Year 2021-22. The Report of the Secretarial Auditors for the year ended 31.03.2022 is placed at **Annexure-IX**. Reply of Board to observations of Secretarial Auditor is placed at **Annexure-X**.

## 22. STATUTORY AUDIT

M/s APT & Co. LLP, Chartered Accountants, were appointed by Comptroller & Auditor General of India, as Statutory Auditors of the Company for the financial year 2021-22.

The Revised Report of the Statutory Auditors to the Members on the Standalone and Consolidated Accounts for the year ended 31.03.2022 is placed at **Annexure-XI** and **Annexure-XIII** respectively. Reply of Board to observations of Statutory Auditor on Internal Financial Control on the Standalone and Consolidated Accounts are placed at **Annexure-XII** and **Annexure-XIV** respectively. Observations/ Comments of the Comptroller and Auditor General (C&AG) of India on the Standalone and Consolidated Accounts for the year ended 31.03.2022 are placed at **Annexure-XV** and **Annexure-XVI** respectively. Comments of C&AG being NIL the reply by the Board thereto is not applicable.

## 23. 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](http://www.sjvn.nic.in).

## 24. COST RECORDS AND 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 2021-22. The Cost Audit Report for the year ended 31st March 2021 was filed with MCA on 01.09.2021.

## 25. 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 processes, 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 co-ordination 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 Directors. The recommendation and directions of the Audit Committee are carried out and complied with.

## 26. 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 1<sup>st</sup> 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](http://www.sjvn.nic.in).

## 27. 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. Directors Report / Financial Statements in respect of following Subsidiary Companies are also included in this Annual Report: -

- SJVN Thermal Private Limited.
- SJVN Arun-3 Power Development Company Private Limited, Nepal.
- SJVN Green Energy Limited.

## 28. DETAILS OF DIRECTORS OR KMP APPOINTED/ RESIGNED

During the FY 2021-22, the following changes took place in the composition of the Board of Directors or KMP of the Company: -

- 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. 02<sup>nd</sup> June 2021.
- Shri Ram Dass Dhiman, Additional Chief Secretary (Power) was appointed as Part-Time Official Director (GoHP Nominee) w.e.f. 22<sup>nd</sup> June 2021.
- Shri Tanmay Kumar, Joint Secy., Ministry of Power, Government of India (Gol) ceased as Part Time Official Director (Gol Nominee) on withdrawal of Nomination by appointing authority w.e.f. 31<sup>st</sup> August 2021.
- Shri Raghuraj Rajendran, Joint Secy., Ministry of Power, Government of India (Gol) appointed as Part Time Official Director (Gol Nominee) w.e.f. 13<sup>th</sup> September 2021.





- e. Dr. Udeeta Tyagi and Shri Saroj Ranjan Sinha were appointed as Part Time Non-Official Independent Director w.e.f. 08<sup>th</sup> November, 2021.
- f. Dr. Danveer Singh Yadav was appointed as Part Time Non-Official Independent Director w.e.f. 09<sup>th</sup> November, 2021.
- g. Shri Subhash Chander Negi and Dr. Rajnish Pande ceased to be Part Time Non-Official Independent Director on 25<sup>th</sup> March, 2022 on completion of their tenure.

The following changes took place during the current financial year 2022-23 till the date of the Director's Report:

- a. Shri Surinder Pal Bansal who was holding the post of Director (Civil) since 01<sup>st</sup> April, 2019 has been placed under suspension by Ministry of Power, Government of India Order No.C-13011/52/2022-V&S dated 28<sup>th</sup> July, 2022.

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

The Board Meetings held during the Financial Year 2021-22 and the attendance of the Directors therein is mentioned in the Report on Corporate Governance.

### 29. 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.

### 30. 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.

### 31. IMPLEMENTATION OF OFFICIAL LANGUAGE

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

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 during the year and under this scheme a total 186 Employees/Officers were awarded cash prizes amounting to ₹9,80,110/-(Approx.).

15 Hindi workshops/seminars have been organised and 261 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, Hindi Vyakaran Rajbhasha Niti & Shodhpatra competition) is a regular feature and besides this number of competitions were also organised during "Rajbhasha Pakhwada". In these competitions 201 no. of employees were awarded cash prizes amounting to ₹2,89,900/-.

To popularise Hindi amongst the students of Schools/ Colleges/ Institutions/Universities situated in the vicinity of projects as well

as Corporate Office, Shimla various Hindi competitions were organised during the year under review and 63 no. students were awarded cash prizes amounting to ₹37,000/-.

To popularise Hindi in a big way a 'Akhil Bhartiya Kavi Sammelan' was organised on 24.09.2021 at Shimla.

The Officials from Ministry of Power inspected the progress of use of Hindi at CHQ, Shimla 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 26.07.2021 & 29.12.2021.

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, 85.71% of amount was spent on purchase of Hindi books.

### 32. AWARDS & ACHIEVEMENTS

1. **25 March, 2022:** SJVN conferred with prestigious Global CSR Excellence and Leadership Award by World CSR Congress in Mumbai for the Best Covid -19 Solution for Community Care.
2. **19 December, 2021:** Shri Nand Lal Sharma, Chairman & Managing Director, SJVN, has been conferred with HIM RATTAN Award by Promoters of Social & Cultural Heritage of Himachal Pradesh at, Shimla.
3. **15 December, 2021:** SJVN has been awarded the SHRM India HR Excellence Award 2021 for future focused excellence in the field of People Management & Excellence in Community Impact.
4. **05 December, 2021:** Shri Nand Lal Sharma, Chairman & Managing Director, SJVN Conferred Award under Owner under whose Guidance the Best Built Infrastructure Project was Built.
5. **03 September, 2021:** SJVN has been conferred with prestigious Dun & Bradstreet - Corporate Award 2021 in the category of Best Growth Performance-Power.
6. **17 August, 2021:** Shri Nand Lal Sharma, CMD SJVN, Conferred with 'LIFETIME ACHIEVEMENT AWARD - TROPHY' for the year 2020 by INDIAN CONCRETE INSTITUTE, Shimla.
7. **04 June, 2021:** Sh. Nand Lal Sharma, Chairman & Managing Director, SJVN conferred with PSU Award of the Year 2020 by Dalal Street Investment Journal (DSIJ).

### 33. OTHER MAJOR DEVELOPMENTS

1. **31 March, 2022:** SJVN has incorporated a fully owned Subsidiary Company 'SJVN Green Energy Limited' (SGEL).
2. **17 March, 2022:** SJVN secured 100 MW Grid Connected Solar Power Project in Gujarat through Tariff Based Competitive Bidding conducted by Gujarat Urja Vikas Nigam Limited (GUVNL).
3. **26 February, 2022:** SJVN bagged its first ever 15 MW Grid Connected Floating Solar PV Power Project at Nangal pond, near village Neilla, District Bilaspur, Himachal Pradesh.
4. **11 January, 2022:** SJVN bagged two grid connected solar power projects of 125 MW capacity through tariff based Competitive Bidding Process conducted by Uttar Pradesh New & Renewable Energy Development Agency.





5. **11 January, 2022:** SJVN granted Power Trading License for interstate trading of electricity by CERC.
6. **29 December, 2021:** SJVN allotted 05 Hydro Electric Projects having total capacity of 5097 MW by Govt. of Arunachal Pradesh.
7. **27 December, 2021:** Prime Minister Shri Narendra Modi virtually laid the Foundation Stones of SJVN's 210 MW Luhri Stage-1 Hydro Electric Project located in Shimla & Kullu districts of Himachal Pradesh and 66 MW Dhaulasidh Hydro Electric Project situated in Hamirpur & Kangra districts of Himachal Pradesh.
8. **03 November, 2021:** SJVN bagged 100 MW Grid connected Solar PV Power Project from Punjab State Power Corporation Ltd.
9. **14 August, 2021:** SJVN bagged 200 MW Grid connected Solar PV Power Project in Bihar.
10. **11 July, 2021:** Memorandum of Understanding signed for the development of 679 MW Lower Arun HEP between SJVN & Investment Board of Nepal in Kathmandu Nepal.

**34. PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE GUARANTEES GIVEN AND SECURITIES PROVIDED UNDER SECTION 186 OF COMPANIES ACT, 2013**

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	Refer Note 2.50
Securities provided	Nil

**35. DETAILS OF NON-CONVERTIBLE SECURITIES ISSUED**

During the year, the company has issued Non-Convertible, Redeemable Debenture of Rs.1000.00 Crore through private placement at a coupon rate of 6.10% p.a for 5 years tenor. List of Investors are as under:-

Sr. No.	Issue size (including ISIN No)	Name(s) of Debenture Holder	Date of Allotment	Date of Maturity
1	Rs. 500 Crore ISIN: INE002L08010	SBI Capital Markets Limited	29.09.2021	29.09.2026
2	Rs. 465 Crore ISIN: INE002L08010	Axis Bank Limited		
3	Rs. 25 Crore ISIN: INE002L08010	Trust Investment Advisors Pvt Ltd.		
4	Rs. 10 Crore ISIN: INE002L08010	Mahindra Manulife Dynamic Bond Yojana		

**36. DETAILS OF EXTERNAL COMMERCIAL BORROWINGS (ECB)**

During the year, the company has issued ECB from PNB, Dubai amounting to USD 500 million at an interest rate of 6M LIBOR plus spread of 130 basis point and upfront processing charges 1.50% p.a. for 5 years tenor.

**37. GENERAL**

Directors of your Company state that no disclosure or reporting is required in respect of the following items as there were no transactions/ events on these items/ matters 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 affecting the financial position of the company which have occurred between the end of the financial year 2021-22 and the date of this report.
6. The company has not made any buyback of shares during the year under review.
7. There have been no changes in the nature of business of the company during the year.
8. No application was made or any proceeding was pending against SJVN Limited under the Insolvency and Bankruptcy Code, 2016 during the financial year 2021-22.

**38. 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, Uttar Pradesh 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: 12<sup>th</sup> August, 2022**  
**Place: Shimla**







## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. INDUSTRY OVERVIEW / INDUSTRY STRUCTURE AND DEVELOPMENTS

All India installed power generation capacity as on 31.03.2022 was 3,99,496.61 MW. A capacity addition of 11478 MW was targeted during the year 2021-22 comprising 10285 MW of thermal, 493 MW of hydro power and 700 MW nuclear power, capacity addition of 4878 MW comprising 4485 MW of thermal and 393 MW of hydro power was achieved up to 31.03.2022.

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, 900 MW Kholongchhu HEP in Bhutan, 210 MW Luhri Stage-I HEP, 66 MW Dhaulasidh HEP in Himachal Pradesh, 70 MW Bagodara Solar Power Project in Gujarat, 75 MW Parasas Solar Power Project in Uttar Pradesh and 1000 MW IREDA Solar Power Project in Rajasthan.

As regards hydro potential, India has an estimated hydro power potential of about 1,50,000 MW out of which only about 46722.52 MW (as on 31.03.2022) 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 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, 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 projects in pipeline.
- 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 1,03,277 MW (as on 31.03.2022) 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.
- Hon'ble Prime Minister announcement during COP26 Glasgow that India will reach its non-fossil energy capacity to 500 GW by 2030 is creating ample opportunities in renewable energy sector.

#### 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.
- Any Technological breakthrough which makes battery storage systems for storing renewables energy economical may make hydro power generation unviable.
- Non signing of Power Purchase Agreements (PPAs) by beneficiaries for new hydro projects and disowning signed PPAs where tariff of the project is high.

### 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 BOD 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](http://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 & 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](http://www.sjvn.nic.in).

**6. 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 2021- 22 vis-à-vis financial year 2020-21.

Notes referred in below paragraphs are part of the Standalone financial statements for the financial year 2021-22 placed elsewhere in this report.

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

**A. RESULTS OF OPERATIONS**

**1. INCOME:**

	F.Y. 2021-22	F.Y. 2020-21
<b>Units of Electricity Generated (Million Units)</b>	<b>9207.07</b>	<b>9223.49</b>
<b>INCOME</b>	<b>₹ in Crore</b>	
1. Revenue from Operations		
a) Energy Sales	2408.68	2448.07
b) Consultancy Income	2.64	5.44
c) Other Operating Revenues	10.64	37.32
<b>Total Revenue from Operations</b>	<b>2421.96</b>	<b>2490.83</b>
2. Other Income		
a) Interest		
- On deposits, advances to employees, contractors and Others etc.	113.98	123.92
b) Late Payment Surcharge from Beneficiaries	61.41	584.16
c) Others	28.19	14.16
<b>Total Other Income</b>	<b>203.58</b>	<b>722.24</b>
<b>Total Income</b>	<b>2625.54</b>	<b>3213.07</b>

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 and dividend from Joint Venture Company etc. The gross income for financial year 2021- 22 is ₹ 2625.54 crore as compared to ₹3213.07 crore in the previous year registering a decrease of 18.29%. The decrease in gross income is mainly due to decrease in Late Payment Surcharge from Beneficiaries by ₹ 522.75 crore which was recognised during the previous year after amendment to regulation 59 of CERC notification dated 19.02.2021 including arrears of earlier period.

**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. CERC has approved the tariff of hydro power stations as per above regulations. 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). 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 Maharashtra 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 2.32)**

**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 2021-22 have been recognized at ₹ 2408.68 crore as compared to ₹ 2448.07 crore during the financial year 2020- 21.

Energy sales include an amount of ₹ (68.46) crore (previous year ₹56.35 crore) pertaining to earlier years.

Sales includes an amount of ₹208.36 crore (previous year ₹191.85 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.

The company has a rebate policy for providing graded discount for early payment. The rebate is netted off from energy sales.





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

Particulars	NJHPS		RHPS	
	2021-22	2020-21	2021-22	2020-21
Design Energy (MUs)	6612	6612	1878	1878
Gross Generation (MUs)	7067.37	7098.93	1981.20	1995.33
Normative PAF (%)	90	90	85	85
Actual PAF (%)	106.60	105.38	106.36	104.80

Sales also includes Unscheduled Interchange (UI) Charges amounting to ₹44.21 crore (previous year ₹28.14 crore) for the positive deviation in generation with respect to schedule, 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 increased by ₹6.35 crore due to increase in generation of Wind and Solar Power by 29.27 MUs (current year 158.50 MUs) (Previous year: 129.23 MUs).

#### Consultancy

Revenue from operations also includes an amount of ₹2.64 crore (Previous Year ₹5.44 crore) towards consultancy charges. Consultancy for the year was provided to subsidiary company SJVN Arun-3 Power Development Company Pvt. Ltd. (SAPDC), Nepal. Decrease in income is mainly due to adjustment of consultancy provided to Teesta Urja Limited in the earlier years by ₹2.32 crore.

#### 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 ₹7.98 crore (previous year: ₹34.70 crore) has been recognised after the truing up/ finalisation of tariff by CERC.

Revenue from operations for F.Y. 2021-22 constitutes 92.25% of total income as compared to 77.52% for F.Y. 2020-21.

#### 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 decreased by ₹518.66 crore to ₹203.58 crore as compared to ₹722.24 crore during previous year registering a decrease of 71.81%. This is mainly on account of decrease in late payment surcharge from beneficiaries by ₹522.75 crore (current year ₹61.41 crore) (previous year ₹584.16 crore).

Major components of other income is as under: (₹ in Crore)

Particulars	Financial Year 2021-22	Financial Year 2020-21
Interest from Banks	96.12	113.48
Late Payment Surcharge from Beneficiaries	61.41	584.16
Other Miscellaneous Income(Including Liquidated Damages , excess provision/sundry credit balances written back, receipt of maintenance of ICF, Interest from Employees, Contractors, Others, foreign currency fluctuation adjustment and dividend from Joint Venture Company)	46.05	24.60
<b>Total Income</b>	<b>203.58</b>	<b>722.24</b>

## 2. Expenditure

(₹ in Crore)

Particulars	Financial Year 2021-22	Financial Year 2020-21
Employee Benefits Expense (Note 2.34)	289.41	320.55
Finance Costs (Note 2.35)	161.34	(2.85)
Depreciation and Amortisation (Note 2.36)	404.29	393.27
Other Expenses (Note 2.37)	403.80	368.82
<b>Total Expenditure</b>	<b>1258.84</b>	<b>1079.79</b>

The total expenditure of the Company has increased by 16.58 % to ₹1258.84 crore in the financial year 2021-22 from ₹1079.79 crore in financial year 2020-21 mainly on account of increase in finance cost by ₹164.19 crore. Total expenditure as percentage of total income during the F.Y. 2021-22 was 47.95% as compared to 33.61% during the F.Y. 2020-21.

#### 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 22.99 % of total expenditure in F.Y.2021-22 as compared to 29.69 % in F.Y. 2020-21.

The Employee Benefits Expense during the year was ₹289.41 crore (previous year ₹320.55 crore) i.e., decrease of ₹31.14 crore in comparison to the previous year. The decrease is due to reduction of man power in operational projects.

#### Finance Costs

The Finance Cost mainly consists of interest on Rupee Term Loans, Foreign Currency Loans, Guarantee Fees, interest on bonds, commercial papers etc. The borrowings are denominated in rupees, including those in foreign currencies, for accounting purposes. During the current financial year, finance costs increased by ₹164.19 crore (current year ₹161.34 crore, previous year ₹(2.85) crore). The increase during the year as compared to previous year was due to increase in long term and short term borrowings and increase of exchange rate as on 31.03.2022 on foreign currency loans.

The increase in finance cost during the year is due to the reasons enumerated as below:

- Increase in interest on foreign/domestic borrowings, Bonds and commercial Papers raised by ₹40.06 crore (current year ₹67.94 crore) (Previous Year ₹27.88 crore).
- During the year, the company raised funds of ₹1000 crore through non-convertible debentures/bonds and external commercial borrowings from PNB, Dubai amounting to ₹2230.28 crore. Total borrowings as at 31.03.2022 were ₹5062.36 crore (previous year ₹2102.68 crore).

#### 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 and amortisation cost during the year has increased by ₹11.02 crore, Current year ₹404.29 crore (Previous year ₹393.27 crore). Depreciation and amortisation represent 32.12% of our total expenditure during F.Y.2021- 22 in comparison to 36.42% during F.Y. 2020-21.







**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 32.08 % of total expenditure during F.Y. 2021-22 in comparison to 34.16 % during F.Y.2020-21. In absolute terms the expenses were ₹403.80 crore in F.Y. 2021-22 as compared to ₹368.82 crore during previous year. This is higher by ₹34.98 crore as compared to previous year. The increase is mainly due to payment of interest to beneficiaries after finalization of tariff of NJHPS & RHPS for the period 2014-19 & 2019-24.

**Exceptional Items (Note 2.38)**

During the year expenditure incurred on Transmission line office at Muzaffarpur for implementation of Indian portion of transmission line amounting to ₹23.26 crore was written off and has been recognised as an exceptional item.

**Net Movement in Regulatory Deferral Account Balance (Note 2.39)**

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. 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 ₹15.42 crore (Previous year ₹(86.77) crore) has been debited to Regulatory Deferral Account Debit Balance.

During the previous year, the company had received an arbitration award in respect of Nathpa Jhakri Hydro Power Station (NJHPS). Accordingly, the principal amount of arbitration award including Interest during construction period was capitalized during previous year. The interest on arbitration award charged to profit & loss amounting to ₹25.59 crore (Previous year ₹257.82 crore) 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. Considering the methodology followed by CERC for allowing impact of the previous pay revision, tariff orders issued by CERC under Regulations, 2014 and the provisions related to change in law of CERC Tariff Regulations, 2014, a regulatory asset has been created (Regulatory deferral account debit balance) towards the increase in O&M expenditure. During the year tariff orders of NJHPS have been received and accordingly an amount of ₹(94.11) crore has been adjusted as movement in regulatory deferral account balance.

Accordingly, for the financial year 2021-22 the regulatory income (net off tax) recognized in the statement of Profit and Loss on account of FERV, O&M/Security expenses and interest on arbitration awards together amount to ₹(43.82) crore (Previous year ₹271.38 crore).

**Profit before net movement in regulatory deferral account balances and Tax**

Profit before net movement in regulatory deferral account balances and tax decreased by 26.98 % to ₹1343.44 crore during F.Y. 2021-22 as against ₹1839.84 crore during previous year due to the reasons explained above.

**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 ₹229.09 crore as compared to ₹316.27 crore during previous year. The decrease in tax incidence is due to decrease 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. An amount of ₹93.01 crore has been recognised as deferred tax during F.Y. 2021-22 as against ₹161.91 crore during the F.Y. 2020-21. The decrease in deferred tax liability debited to statement of profit and loss during the year was mainly due to decrease in temporary difference in carrying amount of PPE and MAT credit utilisation.

**Other Comprehensive Income**

The Other Comprehensive Income (OCI) is on account of re measurement of net defined benefit liability/asset in respect of employees. OCI net of tax for the financial year 2021-22 is ₹(1.63) crore in comparison to ₹(1.66) crore during financial year 2020-21.

**Cash Flows**

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

(₹ in Crore)		
Particulars	F.Y. 2021-22	F.Y. 2020-21
Opening cash & cash equivalent	(11.58)	248.23
Net cash from operating activities	1650.43	2010.54
Net cash used in investing activities	(4259.10)	(1227.98)
Net cash flow from financing activities	2329.21	(1042.37)
Net increase/(decrease) in cash and cash equivalent	(279.46)	(259.81)
Closing cash and cash equivalents	(291.04)	(11.58)

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

Net cash generated from Operating Activities was ₹1650.43 crore during the year 2021-22 (Previous year ₹2010.54 crore). The decrease is mainly due to decrease in profit before tax mainly on account of reduction of late payment surcharge during the year as in the previous year late payment surcharge including amount of earlier periods was recognised.

Net cash from cash outflow on investing activities was ₹(4259.10) crore as compared to ₹(1227.98) crore in the previous year. Cash outflow on investing activities is mainly on setting up of new projects, Property, Plant & Equipment, Capital Work in progress and investment in subsidiary & joint venture companies etc. Increase in investing activities is mainly due to increase of investment in term deposits with bank by ₹3066.66 crore (current year ₹2043.46 crore) (previous year ₹(1023.20) crore). There is also an increase in investment in Property, Plant & Equipment and Capital Work in progress etc by ₹727.68 crore (current year ₹1282.77 crore) (previous year ₹555.09 crore). There is decrease in investment in subsidiary & joint venture companies by ₹862.41 crore (current year ₹993.24 crore) (previous year ₹1855.65 crore)





During the year the company used net cash of ₹2329.21 crore for financing activities (Previous year ₹(1042.37) crore) as detailed below:

Borrowings amounting to ₹3338.41 crore was raised during the year as compared to ₹183.01 crore during the previous year and borrowings amounting to ₹315.78 crore was repaid in the year 2022 (Previous year ₹238.74 Crore) . In the year 2022, cash outflow on account of payment of dividend including interim dividend thereon was ₹610.54 crore (Previous year ₹903.69 crore) . Interest & Finance charges paid during the year was ₹77.05 crore (Previous year ₹78.71 crore).

## B. FINANCIAL POSITION

The items of the Balance Sheet are as under:

### ASSETS:

#### 1. Non-Current Assets

(₹ in Crore)

Particulars	As at March 31,	
	2022	2021
Property, Plant and Equipment (Note 2.1)	7290.62	7470.88
Capital Work-in-progress (Note 2.2)	2226.15	1201.89
Intangible Assets (Note 2.3)	21.28	27.58
Intangible Assets Under Development (Note 2.4)	0.41	4.89
Financial Assets		
- Investments (Note 2.5)	4921.88	3462.14
- Loans (Note 2.6)	96.84	79.58
- Others (Note 2.7)	186.48	457.60
Deferred Tax Assets (Net) (Note 2.8)	529.71	622.72
Other Non-Current Assets (Note 2.9)	559.96	249.26
<b>Total</b>	<b>15833.33</b>	<b>13576.54</b>

Non-Current Assets has increased by 16.62 % to ₹15833.33 crore (Previous year ₹13576.54 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.), Right of use, Vehicles, Electrical/Office Equipments, Furniture/Fixtures, Data Processing Equipments etc. Gross Block of PPE during the year increased by ₹207.57 crore to ₹10554.12 crore (Previous year ₹10346.55 crore). The increase is mainly due to capitalisation of Right of use assets (leased assets) for New Solar Power Projects at Solar Park in Uttar Pradesh, Land at Luhri hydroelectric project (Stage-I) and Buildings at Naitwar Mori etc during the year. However, Net Block of PPE decreased by ₹180.26 crore to ₹7290.62 crore at the end of current year (Previous year ₹7470.88 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 85.22% to ₹2226.15 crore (Previous year ₹1201.89 crore) mainly due to increase in activities under construction projects of Naitwar Mori, Luhri hydro Electric project (Stage-I) and commencement of construction work of Sunni Dam, Dhaulasidh, Parasani, Gujrai and Gurhah Projects 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 ₹21.69 crore (previous year ₹32.47 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 ₹4921.88 crore (Previous year ₹3462.14 crore). The increase in investments is due to infusion of equity in Subsidiaries and Joint Venture companies and transfer of share application money after issue of shares by the Subsidiary Companies.

### Loans

Non-Current Loans are those loans which are expected to be realised after 12 months from the balance sheet 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 ₹96.84 crore (Previous year ₹79.58 crore). The increase is mainly due to increase in loans of employees.

### Other Financial Assets

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 ₹186.48 crore (Previous year ₹457.60 crore). The decrease is mainly due to transfer of share application money to investments after allotment of shares by the subsidiary companies.

### Deferred Tax Assets (Net)

The net deferred tax assets decreased by ₹93.01 crore (current year ₹529.71 crore, previous year ₹622.72 crore). The decrease is mainly due to materialisation/use of deferred tax assets on account of MAT credit entitlement and temporary difference in carrying amount of PPE during the year. Net decrease in deferred tax assets amounting to ₹93.01 crore during the year has been debited to statement of profit and loss (previous year ₹161.91 crore).

### 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 and govt. deptt / organisations for capital works and deferred employee benefits expense etc. Other non-current assets at the end of Current Year are ₹559.96 crore (Previous year ₹249.26 crore).

## 2. Current Assets

(₹ in Crore)

Particulars	As at March 31,	
	2022	2021
Inventories (Note 2.10)	62.66	56.15
Financial Assets		
- Trade Receivables (Note 2.11)	575.03	522.96
- Cash and Cash Equivalents (Note 2.12)	17.24	40.60
- Bank Balances Other than cash and cash equivalents (Note 2.13)	2805.40	901.99
- Loans (Note 2.14)	47.13	20.87
- Others (Note 2.15)	482.36	734.66
Other Current Assets (Note 2.16)	132.67	148.10
<b>Total</b>	<b>4122.49</b>	<b>2425.33</b>

Current Assets as on March 31, 2022 has increased by 69.98 % to ₹4122.49 crore (Previous year ₹2425.33 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 ₹62.66 crore as on 31st March, 2022 (Previous year ₹56.15 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 increased by ₹52.07 crore to ₹575.03 crore (Previous year ₹522.96 crore). Trade receivable mainly includes an amount of ₹534.36 crore receivable from Jammu & Kashmir Power Corporation Limited (JKPCL). As per the arrangements between the company, banks and beneficiaries, the bills of beneficiaries amounting to ₹248.07 crore (previous year: ₹201.07 crore) have been discounted during the year. Accordingly, Trade receivables have been disclosed net off bills discounted.

**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 increased by ₹1880.05 crore to ₹2822.64 crore (Previous year ₹942.59 crore). The increase is mainly due to unutilised funds from External Commercial Borrowings and issue of Non-Convertible Debentures/Bonds.

Cash and Cash Equivalents & Bank Balances other than cash and cash equivalents are 68.47 % of current assets.

**Loans**

Current loans during the year have increased by ₹26.26 crore to ₹47.13 crore as on 31.03.2022 (Previous year ₹20.87 crore) mainly on account of providing interest bearing loan to subsidiary company.

**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 from subsidiaries and joint ventures etc. Other financial assets decreased by ₹252.30 crore to ₹482.36 crore during current year (Previous year ₹734.66 crore). The decrease is mainly due to receipt of 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 decreased by ₹15.43 crore to ₹132.67 crore during current year (Previous year ₹148.10 crore).

**Assets Held for Sale**

Land and buildings which are unutilized and not yielded the appropriate returns have been classified as assets held for sale. The process of sale of these assets is under process and likely to be completed within next twelve months. The amount of assets held for sale as on 31st March, 2022 was ₹16.07 crore (Previous year nil).

**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 ₹808.60 crore (Previous year ₹861.70 crore). The decrease is mainly due to receipt of tariff orders for O&M/security expenses pertaining to NJHPS and accordingly an amount of ₹(94.11) crore has been adjusted as movement in regulatory deferral account balance.

**Equity and Liabilities**

**1. Total Equity**

Total Equity of the Company at the end of the financial year 2021-22 has increased to ₹13128.61 crore from ₹12761.84 crore in the previous year registering an increase of 2.87% as per details given below:

(₹ in Crore)

Particulars	Total Equity
Opening Balance as on 01.04.2021	12761.84
Add: Profit for the year	977.52
Less: Other Comprehensive Income	1.63
Less: Dividend	609.12
Balance as on 31.03.2022	13128.61

The increase in total equity resulted in increase in the book value per share to ₹33.41 as at 31<sup>st</sup> March,2022 (Previous year ₹32.47 per share).

**2. Liabilities**

**Non-Current Liabilities**

**Financial Liabilities**

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings (Note 2.21)	4796.95	1855.68
Lease Liabilities (Note 2.22)	5.83	9.17
Other Financial Liabilities (Note 2.23)	0.01	0.01
Provisions (Note 2.24)	106.34	96.58
Other Non-current Liabilities (Note 2.25)	729.39	751.99
<b>Total</b>	<b>5638.52</b>	<b>2713.43</b>

**Borrowings**

Total borrowings as on March 31, 2022 inclusive of current maturities of long term borrowings were ₹5062.36 crore as against ₹2102.68 crore as on March 31, 2021. Current maturities of long term borrowings have been shown under current financial liabilities (Borrowings). Details of total borrowings are as under:

(₹ in Crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current Borrowings (Note No 2.21)	4796.95	1855.68
Current maturities of non-current borrowings included in current financial liabilities(borrowings) Note No.2.26	265.41	247.00
<b>Total Borrowings</b>	<b>5062.36</b>	<b>2102.68</b>

Borrowings excluding current maturities of long term debts have registered an increase of 158.50 % amounting to ₹2941.27 crore. Total non-current borrowings as on 31.03.2022 are ₹4796.95 crore (previous year ₹1855.68 crore). Details of non-current borrowings are as under:





**Domestic Bonds/Debentures:**

During the year, company has raised unsecured non-convertible bonds at par in full amounting to ₹1000 crore through private placement.

**Rupee Term Loans:**

Total outstanding rupee term loans drawn from domestic banks including current maturities as on 31.03.2022 were ₹297.68 crore (previous year ₹411.36 crore). These term loans are secured by equitable mortgage/hypothecation of all present and future fixed and book debts.

**Foreign currency borrowings:**

During the financial year 2021-22 the company has signed a loan agreement with PNB, Dubai for a loan facility of 500 million dollars. This loan will be utilised towards capital expenditure on ongoing/new Projects. Out of total loan an amount of 300 million dollars was drawn during the year. Total outstanding borrowings of PNB, Dubai was ₹2230.28 crore as on 31.03.2022 (previous year: nil) and outstanding foreign currency loan from world bank for financing RHPS as on 31.03.2022 was ₹1534.40 crore (previous year ₹1691.32 crore).

The debt-to-equity ratio (inclusive of Short-Term Borrowings and accrued interest) at the end of financial year 2021-22 of the company is 0.42 (previous year 0.17).

**Lease and Other Financial Liabilities**

The lease liabilities are on account of present value of leased rentals payable over the period of lease 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 ₹5.83 crore (Previous year: ₹9.17 crore).

Other Financial liabilities include Retention Money from Contractors and others. Other financial liabilities during the current year are ₹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 ₹9.76 crore to ₹106.34 crore during current year (Previous year ₹96.58 crore).

**Other Non-current Liabilities**

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

Other non-current liabilities have registered a decrease of ₹22.60 crore to ₹729.39 crore (Previous year ₹751.99 crore) mainly on account of amount of AAD 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,	
	2022	2021
Borrowings (Note 2.26)	723.59	299.18
Lease Liabilities (Note 2.27)	6.31	8.80
Trade Payables (Note 2.28)	37.16	42.33
Other Financial Liabilities (Note 2.29)	699.35	462.96
Other Current Liabilities (Note 2.30)	50.13	77.53
Provisions (Note 2.31)	496.82	497.50
<b>Total</b>	<b>2013.36</b>	<b>1388.30</b>

The Current Liabilities as at March 31, 2022 and 2021 were ₹2013.36 crore and ₹1388.30 crore respectively. The Current Liabilities have increased by 45.02 % mainly due to increase in Borrowings and Other Financial Liabilities.

**Borrowings**

During the year company has availed the bank overdraft and short term loan from banks to finance the short term fund requirements. Outstanding amount of short term loan from banks/overdraft as on 31.03.2022 was ₹458.18 crore (previous year ₹52.18 crore). Borrowings also include an amount of ₹265.41 crore (previous year ₹247.00 crore) being current maturities of long term debts payable within twelve months from the balance sheet date. Total outstanding balance of borrowings at the end of the year is ₹723.59 crore (previous year: ₹299.18 crore).

**Lease Liabilities**

Lease liabilities are on account of present value of leased rental assets rental payable with in next twelve months for assets taken on lease. Lease liabilities at the end of year is ₹6.31 crore (Previous year: ₹8.80 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 ₹37.16 crore (Previous year ₹42.33 crore).

**Other Financial Liabilities**

Other Financial Liabilities mainly include Interest accrued but not due on loans, 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 ₹236.39 crore to ₹699.35 crore (Previous year ₹462.96 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 ₹50.13 crore (Previous year ₹77.53 crore). The decrease is mainly due to decrease 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 decreased by ₹0.68 crore in the F.Y. 2021- 22 to ₹496.82 crore (Previous year ₹497.50 crore).

**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 31.03.2022	As at 31.03.2021
Capital Works	670.76	536.38
Land Compensation	25.06	25.06
Disputed Income Tax Demand	10.48	12.46
Guarantees	195.00	---
Others	249.04	201.09
<b>Total</b>	<b>1150.34</b>	<b>774.99</b>

Contingent Liabilities increased by ₹375.35 crore to ₹1150.34 crore as of March 31, 2022 (Previous year ₹774.99 crore) mainly on account of increase in contingent liabilities relating to capital works and corporate guarantee for a loan drawn by a subsidiary company.





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

**1. Subsidiary Companies**

Company has three wholly owned subsidiary companies as at 31.03.2022. Presently all 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 31<sup>st</sup> March, 2022 is ₹2511.68 crore (Previous year ₹1896.68 crore). Total Assets as on 31<sup>st</sup> March, 2022 is ₹4376.54 crore (Previous Year: ₹2605.97 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 ₹2714.35 crore (NPR 4342.96 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 31<sup>st</sup> March, 2022 is ₹2105.41 crore (Previous Year ₹1360.67 crore). Total Assets as on 31<sup>st</sup> March, 2022 is ₹2850.42 crore (Previous Year ₹1698.64 Crore).

**SJVN Green Energy Ltd.**

SJVN Green Energy Limited (SGEL) was incorporated in India on 30.03.2022 with authorised share capital of ₹50 crore. The purpose of formation of SGEL is to have a focussed approach for expanding the renewable energy portfolio of SJVN group. Thus, contributing in the Govt. of India’s target of 500GW of renewable power by 2030.

**2. Joint Venture Companies**

As at 31.03.2022, the company has two joint ventures. The performance of the Joint Ventures are 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 ₹240.43 Crore as on 31.03.2022 (Previous Year ₹190.43 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 2021-22 are ₹34.48 crore (previous year ₹33.43 crore) and ₹17.26 Crore (previous year ₹15.19 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 AS112- ‘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)

	F.Y. 2021-22	F.Y. 2020-21
Total Revenue	2634.78	3222.84
Profit before Tax	1359.82	1856.41
Profit after Tax	989.80	1645.72
Other Comprehensive Income (net of tax)	(1.63)	(1.66)
<b>Total Comprehensive Income</b>	<b>988.17</b>	<b>1644.06</b>

For and on behalf of Board of Directors

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

Date: 12<sup>th</sup> August, 2022  
Place: Shimla





## 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 20<sup>th</sup> 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 31<sup>st</sup> March 2022, the Company's Board comprised of Ten (10) 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 Three 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 four (4) 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 appointed/ re-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 Sector Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India. The Functional Directors are appointed by the Public Sector 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 and are independent of the management.

#### 1.3 Board Meetings

The Board Meetings were normally held at Shimla/ Delhi through video conference / other Audio-Visual facility to facilitate participation by maximum number of out station Directors. During the Financial Year 2021-22, Ten (10) Board Meetings were held, (i) 28<sup>th</sup> April 2021 (ii) 03<sup>rd</sup> May 2021 (iii) 26<sup>th</sup> June 2021 (iv) 03<sup>rd</sup> July 2021 (v) 14<sup>th</sup> August 2021 (vi) 21<sup>st</sup> September 2021 (vii) 12<sup>th</sup> November 2021 (viii) 08<sup>th</sup> January 2022 (ix) 10<sup>th</sup> February 2022 (x) 24<sup>th</sup> March 2022. The maximum interval between any two meetings during this period was 57 days.







Details of Board Meetings attendance of the Directors for the year 2021-22 are as under:

Name of the Director	Meetings Date									Meetings Held during respective tenure of Directors	No. of Board Meetings attended	Attendance at last AGM (33 <sup>rd</sup> ) held on 29.09.2021	No. of other Directorship held on 31.03.2022*	No. of Committee memberships in other companies on 31.03.2022**		
	28.04.2021	03.05.2021	26.06.2021	03.07.2021	14.08.2021	21.09.2021	12.11.2021	08.01.2022	10.02.2022					24.03.2022	As Chairman	As Member
<b>EXECUTIVE DIRECTORS</b>																
<b>Functional Directors</b>																
<b>Shri Nand Lal Sharma</b> Chairman & Managing Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10	Yes	1	0	0
<b>Smt. Geeta Kapur</b> Director (Personnel)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10	Yes	2	0	0
<b>Shri Surinder Pal Bansal</b> Director (Civil)***	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10	Yes	1	0	0
<b>Shri Akhileshwar Singh</b> Director (Finance)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10	Yes	3	0	0
<b>Shri Sushil Sharma</b> Director (Electrical)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10	Yes	3	0	0
<b>NON-EXECUTIVE DIRECTORS</b>																
<b>Part-Time Official Directors (Government Nominee Directors)</b>																
<b>Shri Tanmay Kumar</b> GoI Nominee Director	✓	✓	✓	✓	✓	-	-	-	-	-	5	5	NA	Ceased w.e.f. 31 <sup>st</sup> August 2021		
<b>Shri Ram Subhag Singh</b> GoHP Nominee Director	X	X	-	-	-	-	-	-	-	-	2	0	NA	Ceased w.e.f. 02 <sup>nd</sup> June 2021		
<b>Shri Raghuraj Rajendran</b> GoI Nominee Director (Appointed w.e.f. 13.09.2021)	-	-	-	-	-	✓	✓	✓	✓	✓	5	5	No	2	0	0
<b>Shri Ram Dass Dhiman</b> GoHP Nominee Director (Appointed w.e.f. 22.06.2021)	-	-	✓	✓	✓	X	X	✓	✓	✓	8	6	No	7	0	0
<b>Part-Time Non-Official Directors (Independent Directors)</b>																
<b>Shri Subhash Chander Negi</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10	Yes	Ceased w.e.f. 25 <sup>th</sup> March 2022		
<b>Dr. Rajnish Pande</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	10	10	Yes	Ceased w.e.f. 25 <sup>th</sup> March 2022		
<b>Dr. Udeeta Tyagi</b> (Appointed w.e.f. 08.11.2021)	-	-	-	-	-	-	✓	✓	✓	✓	4	4	NA	NIL	0	0
<b>Shri Saroj Ranjan Sinha</b> (Appointed w.e.f. 08.11.2021)	-	-	-	-	-	-	X	✓	✓	✓	4	3	NA	NIL	0	0
<b>Dr. Danveer Singh Yadav</b> (Appointed w.e.f. 09.11.2021)	-	-	-	-	-	-	✓	✓	✓	✓	4	4	NA	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. Raghuraj Rajendran, who is also a Part Time Official (Government Nominee) Director in NHPC Ltd, and PTC India 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.

\*\*\*Shri Surinder Pal Bansal who was holding the post of Director (Civil) since 01<sup>st</sup> April, 2019 has been placed under suspension by Ministry of Power, Government of India Order No.C-13011/52/2022-V&S dated 28<sup>th</sup> July, 2022.

**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 31<sup>st</sup> August 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](http://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 31<sup>st</sup> March 2022, 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. **Dr. Udeeta Tyagi, Independent Director** Member
4. **Dr. Danveer Singh Yadav, Independent Director** Member

\* Ceased w.e.f. 25<sup>th</sup> March 2022

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

Consequent to cessation of Dr. Rajnish Pande and Sh. Subhash Chander Negi as Directors of the Company, the Committee was reconstituted by the Board of Directors in its 298<sup>th</sup> Board Meeting held on 28<sup>th</sup> April 2022 as under:-

- Dr. Danveer Singh Yadav** Independent Director – Chairman
- Dr. Udeeta Tyagi** Independent Director – Member
- Sh. Saroj Ranjan Sinha** Independent Director – Member

During the Financial Year 2021-22, 4 (Four) Audit Committee meetings were held, i.e. (i) 26<sup>th</sup> June 2021 (ii) 14<sup>th</sup> August 2021 (iii) 12<sup>th</sup> November 2021 (iv) 10<sup>th</sup> February 2022.

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

Name of Directors	Meetings Date				No. of Meeting held during the tenure	No. of Meetings attended
	26 <sup>th</sup> June 2021	14 <sup>th</sup> August 2021	12 <sup>th</sup> November 2021	10 <sup>th</sup> February 2022		
<b>Dr. Rajnish Pande</b> (Ceased w.e.f. 25 <sup>th</sup> March 2022)	✓	✓	✓	✓	4	4
<b>Shri Subhash Chander Negi</b> (Ceased w.e.f. 25 <sup>th</sup> March 2022)	✓	✓	✓	✓	4	4
<b>Shri Akhileshwar Singh</b> (Ceased to be member w.e.f. 08 <sup>th</sup> January 2022)	✓	✓	✓	-	3	3
<b>Dr. Udeeta Tyagi</b>	-	-	-	✓	1	1
<b>Dr. Danveer Singh Yadav</b>	-	-	-	✓	1	1

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 is 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 31<sup>st</sup> March 2022, the Nomination & Remuneration Committee consists of:-

1. **Sh. Subhash Chander Negi, Independent Director\*** Chairman
2. **Dr. Rajnish Pande, Independent Director\*** Member

3. **Dr. Udeeta Tyagi, Independent Director** Member

4. **Sh. Saroj Ranjan Sinha, Independent Director** Member

\* Ceased w.e.f. 25<sup>th</sup> March 2022

Consequent to cessation of Dr. Rajnish Pande and Sh. Subhash Chander Negi as Directors of the Company, the Committee was reconstituted by the Board of Directors in its 298<sup>th</sup> Board Meeting held on 28<sup>th</sup> April 2022 as under:-

1. **Dr. Udeeta Tyagi, Independent Director** Chairperson
2. **Sh. Saroj Ranjan Sinha, Independent Director** Member
3. **Dr. Danveer Singh Yadav, Independent Director** Member

During the Financial Year 2021-22, 2 (Two) Nomination & Remuneration Committee meetings were held, i.e. (i) 31<sup>st</sup> August 2021 (ii) 21<sup>st</sup> September 2021.

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

Name of Directors	Meetings Date		No. of Meeting held during the tenure	No. of Meetings attended
	31 <sup>st</sup> August 2021	21 <sup>st</sup> September 2021		
<b>Shri Subhash Chander Negi</b> (Ceased w.e.f. 25 <sup>th</sup> March 2022)	✓	✓	2	2
<b>Dr. Rajnish Pande</b> (Ceased w.e.f. 25 <sup>th</sup> March 2022)	✓	✓	2	2
<b>Shri Ram Dass Dhiman</b> (Ceased to be member w.e.f. 08 <sup>th</sup> January 2022)	X	X	2	0
<b>Dr. Udeeta Tyagi</b>	-	-	0	0
<b>Shri Saroj Ranjan Sinha</b>	-	-	0	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 1<sup>st</sup> 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](http://www.sjvn.nic.in). The Details of remuneration to all Directors are disclosed in later part of this report.

The performance evaluation criteria for independent directors are disclosed in sr. no. 10 of this report.

### 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.

As on 31<sup>st</sup> March 2022, the Stakeholder Relationship Committee consists of the following Members:

1. **Dr. Danveer Singh Yadav, Independent Director** Chairman
2. **Sh. Subhash Chander Negi, Independent Director\*** Member
3. **Dr. Rajnish Pande, Independent Director\*** Member
4. **Sh. Saroj Ranjan Sinha, Independent Director** Member

\* Ceased w.e.f. 25<sup>th</sup> March 2022

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

Consequent to cessation of Dr. Rajnish Pande and Sh. Subhash Chander Negi as Directors of the Company, the Committee was reconstituted by the Board of Directors in its 298<sup>th</sup> Board Meeting held on 28<sup>th</sup> April 2022 as under:-





1. **Sh. Saroj Ranjan Sinha, Independent Director** Chairman
2. **Dr. Udeeta Tyagi, Independent Director** Member
3. **Dr. Danveer Singh Yadav, Independent Director** Member

During the Financial Year 2021-22, 1 (One) Stakeholders Relationship Committee meeting was held i.e. on 28<sup>th</sup> January 2022.

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

Name of Directors	Meeting Date	No. of Meeting held during the tenure	No. of Meeting attended
	28 <sup>th</sup> January 2022		
<b>Dr. Danveer Singh Yadav</b>	✓	1	1
<b>Dr. Rajnish Pande</b> (Ceased w.e.f. 25 <sup>th</sup> March 2022)	✓	1	1
<b>Shri Subhash Chander Negi</b> (Ceased w.e.f. 25 <sup>th</sup> March 2022)	✓	1	1
<b>Shri Saroj Ranjan Sinha</b>	✓	1	1

### 6.1 STATUS OF INVESTORS COMPLAINTS:

Status of Investors' complaints for the financial year 2021-22 is as under:-

Particulars	Opening	Received during the year	Resolved during the year	Pending (31.03.2022)
<b>Complaints</b>	<b>0</b>	<b>56</b>	<b>54</b>	<b>2</b>

### 7.0 RISK MANAGEMENT COMMITTEE

The Scope of work of Risk Management Committee is 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 31<sup>st</sup> March 2022, the Risk Management Committee consists of the following Members:

1. **Sh. Saroj Ranjan Sinha, Independent Director** Chairman
2. **Dr. Rajnish Pande, Independent Director\*** Member
3. **Sh. Subhash Chander Negi, Independent Director\*** Member
4. **Dr. Danveer Singh Yadav, Independent Director** Member

\* Ceased w.e.f. 25<sup>th</sup> March 2022

Consequent to cessation of Dr. Rajnish Pande and Sh. Subhash Chander Negi as Directors of the Company, the Committee was reconstituted by the Board of Directors in its 298<sup>th</sup> Board Meeting held on 28<sup>th</sup> April 2022 as under:-

1. **Sh. Saroj Ranjan Sinha, Independent Director** Chairman
2. **Dr. Udeeta Tyagi, Independent Director** Member
3. **Dr. Danveer Singh Yadav, Independent Director** Member

During the Financial Year 2021-22, 2 (Two) Risk Management Committee meetings were held i.e. (i) 28<sup>th</sup> January 2022 (ii) 11<sup>th</sup> March 2022.

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

Name of Directors	Meetings Date		No. of Meeting held during the tenure	No. of Meetings attended
	28 <sup>th</sup> January 2022	11 <sup>th</sup> March 2022		
<b>Shri Saroj Ranjan Sinha</b>	✓	✓	2	2
<b>Dr. Rajnish Pande</b> (Ceased w.e.f. 25 <sup>th</sup> March 2022)	✓	✓	2	2
<b>Shri Subhash Chander Negi</b> (Ceased w.e.f. 25 <sup>th</sup> March 2022)	✓	✓	2	2
<b>Dr. Danveer Singh Yadav</b>	✓	✓	2	2

### 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 31<sup>st</sup> March 2022, 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. **Dr. Udeeta Tyagi, Independent Director** Member
4. **Dr. Danveer Singh Yadav, Independent Director** Member

\* Ceased w.e.f. 25<sup>th</sup> March 2022

Consequent to cessation of Dr. Rajnish Pande and Sh. Subhash Chander Negi as Directors of the Company, the Committee was reconstituted by the Board of Directors in its 298<sup>th</sup> Board Meeting held on 28<sup>th</sup> April 2022 as under:-

1. **Dr. Danveer Singh Yadav, Independent Director** Chairman
2. **Sh. Saroj Ranjan Sinha, Independent Director** Member
3. **Dr. Udeeta Tyagi, Independent Director** Member

During the Financial Year 2021-22, 2 (Two) Corporate Social Responsibility, Sustainable Development and Research & Development Committee meetings were held, i.e. (i) 25<sup>th</sup> June 2021 (ii) 10<sup>th</sup> February 2022.

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

Name of Directors	Meetings Date		No. of Meeting held during the tenure	No. of Meetings attended
	25 <sup>th</sup> June 2021	10 <sup>th</sup> February 2022		
<b>Shri Subhash Chander Negi</b> (Ceased w.e.f. 25 <sup>th</sup> March 2022)	✓	✓	2	2
<b>Dr. Rajnish Pande</b> (Ceased w.e.f. 25 <sup>th</sup> March 2022)	✓	✓	2	2
<b>Smt. Geeta Kapur</b> (Ceased to be member w.e.f. 08 <sup>th</sup> January 2022)	✓	-	1	1
<b>Dr. Udeeta Tyagi</b>	-	✓	1	1
<b>Dr. Danveer Singh Yadav</b>	-	✓	1	1

### 9.0 COMMITTEE FOR ALLOTMENT AND POST-ALLOTMENT ACTIVITIES

As on 31<sup>st</sup> March 2022, 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, dematerialization, 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 2021-22 are as under: -

(Amount in Rs.)

Sr. No.	Name	Salary	Benefits	PRP	Total
1.	Shri Nand Lal Sharma Chairman & Managing Director	3854587	3945740	5135807	12936134
2.	Smt. Geeta Kapur Director (Personnel)	3785160	3000243	3838308	10623711
3.	Shri Surinder Pal Bansal Director (Civil)	2862831	3041110	3191839	9095780
4.	Shri Akhileshwar Singh Director (Finance)	3885298	2094113	3780218	9759629
5.	Shri Sushil Kumar Sharma Director (Electrical)	3498874	1894937	3017198	8411009
6.	Shri Soumendra Das Company Secretary	2252613	1192752	1435575	4880940
	<b>Total</b>	<b>20139363</b>	<b>15168895</b>	<b>20398945</b>	<b>55707203</b>

**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.

Sitting fee of ₹20,000/- per Board/ Committee Meeting is payable to Independent Directors for attending each meeting. However, the sitting fee was increased by the Board of Directors in its 296<sup>th</sup> Meeting held on 10<sup>th</sup> February 2022 to ₹40,000/- and ₹30,000/- per Board and Committee Meeting respectively.

The Sitting Fee paid to Independent Directors for meetings attended during the financial year 2021-22 are as under: -

(Amount in Rs.)

Sr. No.	Name of the Director	Total Sitting Fee Paid (Excluding GST)
1	Shri Subhash Chander Negi (Ceased w.e.f. 25 <sup>th</sup> March 2022)	5,10,000
2	Dr. Rajnish Pande (Ceased w.e.f. 25 <sup>th</sup> March 2022)	5,10,000
3	Dr. Udeeta Tyagi (w.e.f. 08 <sup>th</sup> November 2021)	1,80,000
4	Shri Saroj Ranjan Sinha (w.e.f. 08 <sup>th</sup> November 2021)	1,70,000
5	Dr. Danveer Singh Yadav (w.e.f. 09 <sup>th</sup> November 2021)	2,50,000

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 in Rs.)

Type of Service	Financial Year 2021-22
Statutory Audit	1548750
Tax Audit Fees	309750
Limited Review	696938
Other Services	295590
Reimbursement of Expenditure	263291
<b>Total*</b>	<b>3114319</b>

\*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 1<sup>st</sup> 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 on 31<sup>st</sup> March 2022.**

  
**(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 239<sup>th</sup> Meeting held on 27<sup>th</sup> May, 2015. The revised version of the Code has come into force with effect from 15<sup>th</sup> May 2015. The code has been aligned in line with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

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](http://www.sjvn.nic.in).

**15.0 WHISTLE BLOWER POLICY**

Board of directors in its 208<sup>th</sup> meeting held on 30<sup>th</sup> 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 at Investor Relation Section on SJVN website [www.sjvn.nic.in](http://www.sjvn.nic.in).

Status of Whistle Blower Complaints during FY 2021-22: -

No. of complaints pending at the beginning of the year	<b>NIL</b>
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
31 <sup>st</sup>	27 <sup>th</sup> September 2019	Friday	1500 HRS	SJVN Corporate Office Complex, Shanan, Shimla, Himachal Pradesh	No Special Resolution was passed
32 <sup>nd</sup>	29 <sup>th</sup> 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
33 <sup>rd</sup>	29 <sup>th</sup> September 2021	Wednesday	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 2021-22: -

- a) 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.
- b) 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.
- c) 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 extent possible.
- d) None of the securities of the Company was suspended from trading during the financial year 2021-22.
- e) During the financial year 2021-22, there was no instance, where the Board has not accepted the recommendation(s) of any committee of the Board which is mandatorily required.


**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 25.05.2022 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:

- a) We have reviewed the Financial Statements and the Cash flow statement for the year ended 31<sup>st</sup> March 2022 and to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) 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;
- b) 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;
- c) 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;
- d) We have indicated to the company's auditors and the Audit Committee: -
  - (i) Significant changes, if any, in internal control over financial reporting during the year;
  - (ii) Significant changes, if any in accounting policies during the year and the same have been disclosed in the notes to the financial statements, and
  - (iii) 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, material official news releases, disclosures as required under SEBI Listing Regulations including the presentations made to institutional investors/Analyst, if any through its website [www.sjvn.nic.in](http://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, Dainik Jagran, Punjab Kesari etc.

**20.0 SUBSIDIARY MONITORING FRAMEWORK**

The Company has three 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 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 1<sup>st</sup> October 2015.

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](http://www.sjvn.nic.in).

### 22.0 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](http://www.sjvn.nic.in)

### 23.0 COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND DPE GUIDELINES ON CORPORATE GOVERNANCE

The Company has complied with all the statutory requirements of the regulations and guidelines prescribed by SEBI including regulations from 17 to 27 (which ever applicable) and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI LODR. The Company has also complied with all the requirements of the Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by Department of Public Enterprises (DPE), Govt. of India (except certain clauses). The non-compliances were due to non-appointment of Independent Directors on the Board of the Company.

No Presidential Directives have been issued during the period 01<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 and also in last three years.

### 24.0 SEXUAL HARASSMENT PREVENTION

SJVN has implemented the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 in its entirety.

Summary of Sexual harassment issues raised, attended and dispensed during the year 2021-22: -

No. of complaints received in 2021-22	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

### 25.0 SHAREHOLDERS' INFORMATION

#### i. 34<sup>th</sup> Annual General Meeting: Date: 29<sup>th</sup> September 2022

**Time: 15:00 HRS**

**Venue: Through video conference / Other Audio Visual means. Deemed venue is SJVN Corporate Office Complex, Shanan, Shimla, Himachal Pradesh**

#### ii. Financial Calendar for FY 2022-23:

Particulars	Date
Accounting Period	1 <sup>st</sup> April 2022 to 31 <sup>st</sup> March 2023
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 <sup>th</sup> May, 2023
AGM (Next year)	September 2023 (tentative)

#### iii. Dates of Book Closure: 23<sup>rd</sup> September 2022 to 29<sup>th</sup> September 2022 (both days inclusive)

#### iv. Dividend Payment Date: 5<sup>th</sup> October 2022 onwards

#### v. Listing on Stock Exchanges:

##### a. Details of Listing of Equity Shares: -

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 <sup>th</sup> May 2010	20 <sup>th</sup> May 2010

##### b. Details of Listing of Non-Convertible Securities: -

Debentures	Listed on
Unsecured, Rated, Listed, Redeemable Non-Convertible Debentures (NCDs)	Bombay Stock Exchange (BSE)

The Annual Listing Fee for the Financial Year 2022-23 was paid to both National Stock Exchange of India Limited and BSE Limited. Also, the Annual Custodian Fee for the Financial Year 2022-23 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 (₹)	
2021-22	10-02-2022	11.5%	1.15	To be declared at 34 <sup>th</sup> AGM			
2020-21	12-02-2021	18%	1.80	29-09-2021	4.0%	0.40	157.192
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%	0.80	330.93
2009-10	04-08-2009	1.9%	0.19	15-09-2010	6%	0.60	328.20

vii. Credit Ratings

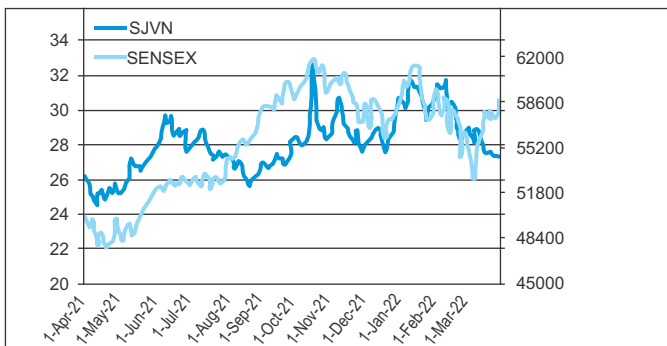
Instruments/ Agency	CRISIL	India Ratings
Non-Convertible Debentures (NCDs)	AA+/Stable	IND AA+/Stable

viii. Stock Code & Market Price Data

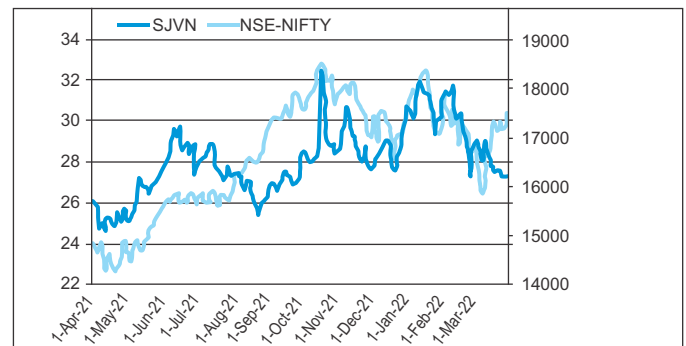
Stock Code	National Stock Exchange (NSE)			Bombay Stock Exchange (BSE)		
	SJVN-EQ			533206		
Month	High	Low	Close	High	Low	Close
Apr-21	26.50	24.50	25.20	26.45	24.50	25.20
May-21	28.45	25.05	27.95	28.50	25.05	27.95
Jun-21	30.80	27.05	27.90	30.80	27.05	27.85
Jul-21	30.35	27.05	27.25	30.30	27.10	27.25
Aug-21	27.80	25.35	26.30	27.85	25.35	26.30
Sep-21	29.30	26.30	28.15	29.35	26.25	28.15
Oct-21	33.75	27.90	28.35	33.80	27.75	28.30
Nov-21	30.95	27.00	27.85	30.95	27.25	27.85
Dec-21	31.00	27.05	30.65	31.00	27.10	30.65
Jan-22	32.50	29.10	30.65	32.50	29.05	30.65
Feb-22	31.95	27.15	28.65	31.95	27.15	28.70
Mar-22	29.35	27.10	27.45	29.40	27.05	27.45

Performance in comparison to broad based indices NSE NIFTY and BSE SENSEX during F.Y. ended 31<sup>st</sup> March 2022.

SJVN vs SENSEX



SJVN vs NIFTY



**ix. Registrar and Share Transfer Agent (For Shares and Bonds)****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

**Debenture Trustee****IDBI Trusteeship Services Limited**

Contact Person: CS Deepak Kumar

Asian Building, Ground Floor 17, R. Kamani Marg, Ballard Estate, Mumbai, Maharashtra – 400 001, India

Tel: +91 (11) 45708885, Fax: 022 66311776

Email: deepakkumar@idbitrustee.com

Website: www.idbitrustee.com

SEBI Registration No.: IND000000460

**x. Share Transfer System**

As 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 yearly basis from Practicing Company Secretary confirming due compliance of share transfer formalities by the Company through its share transfer agent has been submitted to stock exchanges within thirty days from the end of the Financial Year.

**xi. 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: <https://sjvn.nic.in/iepf-details/59> and also on the website of Ministry of Corporate Affairs.

During the Financial Year 2021-22, an amount of ₹919,753.00 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 2013-14. 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.

**xii. 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.

**xiii. 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>.

**xiv. Distribution of Shareholding as on 31<sup>st</sup> March 2022**

As on 31<sup>st</sup> March 2022, 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	255626	31189402	0.79
2	501 - 1000	26971	22291684	0.57
3	1001 - 2000	16978	25114905	0.64
4	2001 - 3000	4700	12237066	0.31
5	3001 - 4000	2254	8193696	0.21
6	4001 - 5000	2294	11068621	0.28
7	5001 - 10000	3095	23882173	0.61
8	10001 - 20000	1500	21790176	0.55
9	20001 - 9999999999	1450	3774027452	96.04
	<b>TOTAL</b>	<b>314868</b>	<b>3929795175</b>	<b>100</b>

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

Sr. No.	Category	Holders	No. of Shares	% age
1.	Clearing Members	127.00	1097306.00	0.03
2.	Domestic Companies	536.00	26565972.00	0.68
3.	Employees	47.00	68585.00	0.00
4.	Foreign Portfolio - Corp.	54.00	104027621.00	2.65
5.	Foreign Portfolio - Ind.	1.00	1500.00	0.00
6.	HUF	4262.00	11132988.00	0.28
7.	Individuals	307371.00	209356770.00	5.33
8.	Insurance Companies	5.00	31168830.00	0.79
9.	Investor Education and Protection Fund	2.00	59450.00	0.00
10.	NRI Non Rep	916.00	3309707.00	0.08
11.	NRI Rep	1511.00	4557332.00	0.12
12.	Other Mutual Fund	9.00	125968637.00	3.21
13.	Promoters	2.00	3409816933.00	86.77
14.	State Government	1.00	10000.00	0.00
15.	Trusts	24.00	2653544.00	0.07
	<b>TOTAL</b>	<b>314868.00</b>	<b>3929795175.00</b>	<b>100.00</b>

**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)	34483811	0.8775	Other Mutual Fund
5	Life Insurance Corporation of India	28413259	0.7230	Insurance Companies
6	Edgbaston Asian Equity Trust	25984417	0.6612	Foreign Portfolio-Corp.





Sr. No.	Name of the Shareholder	No. of Shares	%age	Category
7	The Edgbaston Asian Equity (Jersey) Trust	11115669	0.2829	Foreign Portfolio-Corp.
8	FIH Private Investments Ltd.	10139041	0.2580	Foreign Portfolio-Corp.
9	HDFC Trustee Company Ltd. A/c HDFC Balanced Advantage Fund	9852700	0.2507	Other Mutual Fund
10	Mercer QIF Fund PLC- Mercer Investment Fund 1	7821155	0.1990	Foreign Portfolio-Corp.

**xv. Dematerialization of Shares and liquidity as on 31<sup>st</sup> March 2022**

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 Practising Company Secretary quarterly for the financial year 2021-22 has been submitted to Stock Exchanges within the stipulated time.

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

**xvii. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given. Further, the Board of Directors in its meeting held on September 12, 2013 had approved the hedging policy as a part of risk management policy of the Company, taking into consideration exposure of the Company in foreign exchange and risk involved.

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](http://www.sjvn.nic.in).

**xviii. Number of Shares, Convertible Instruments held by Directors and Relationships between Directors Inter-Se, as on 31<sup>st</sup> March, 2022:**

Sr. No.	Name of Director	No. of Shares held	No. of Convertible Instruments held*	Relationship between Directors Inter-Se
i.	Shri Nand Lal Sharma Chairman & Managing Director	2457	NA	Nil
ii.	Smt. Geeta Kapur Director (Personnel)	Nil	NA	Nil
iii.	Shri Surinder Pal Bansal Director (Civil)	Nil	NA	Nil
iv.	Shri Akhileshwar Singh Director (Finance)	Nil	NA	Nil
v.	Shri Sushil Sharma (Director (Electrical))	1000	NA	Nil
vi.	Shri Raghuraj Rajendran Nominee Director (Gol)	Nil	NA	Nil
vii.	Shri Ram Dass Dhiman Nominee Director (GoHP)	Nil	NA	Nil
viii.	Dr. Udeeta Tyagi Independent Director	Nil	NA	Nil
ix.	Shri Saroj Ranjan Sinha Independent Director	Nil	NA	Nil
x.	Shri Danveer Singh Yadav Independent Director	Nil	NA	Nil

\*SJVN Limited has not issued any convertible instrument till date.

**xix. Plant/ Project Office locations:**

- Corporate Office-** Corporate Head Quarters, Shakti Sadan Complex, Shanan, Shimla-171006
- Expediting Office-** Office Block, Tower #1, 6<sup>th</sup> Floor, NBCC Complex, East Kidwai Nagar, New Delhi-110023

**3. Projects:-**

- Nathpa Jhakri Hydro Power Station-** Jhakri, Post Office Jhakri, District Shimla, Himachal Pradesh, Pin Code-172201.
- Rampur Hydro Power Station-** Bayal, Post Office-Koyal, Tehsil-Nirmand, Distt. Kullu, Himachal Pradesh, Pin Code-172023.
- Luhri Hydro Electric Project Stage-I,** Bithal, Post Office, Shanathla, Distt. Shimla, Himachal Pradesh, Pin Code-172030.
- Sunni Dam Hydro Electric Project & LHEP-II,** Gupta Niwas, Koldam Colony, Tehsil-Sunni, Distt. Shimla, Himachal Pradesh, Pin Code-171301.
- Dhaulasidh Hydro Electric Project-** House No.21, Ward No. 1, Heera Nagar, Distt. Hamirpur, Himachal Pradesh, Pin Code-177001.
- Jangi Thopan Powari Hydro Electric Project-** Shudarang, Near DFO Office, Reckongpeo, Distt. Kinnaur, Himachal Pradesh, Pin Code-172107.
- SJVN Ltd. Chenab Valley Projects-** VPO Udaipur, Distt. Lahaul Spiti, Himachal Pradesh, Pin Code-175142.
- Devsari Hydro Electric Project-** Kulsari, Tehsil-Tharali, Distt. Chamoli, Uttarakhand, Pin Code-246481.
- Naitwar-Mori Hydro Electric Project-**Village-Bainol, PO-Mori, Tehsil-Mori, Distt. Uttarakashi, Uttarakhand, Pin Code-249128.
- Jakhol Sankri Hydro Electric Project-**Tehsil-Mori, Distt. Uttarakashi, Uttarakhand, Pin Code-249128.
- Khirvire Wind Power Station-** Plot No. 12- Shivaji Nagar, Near Datta Mandir, Sinnar, Distt. Nashik, Maharashtra, Pin Code-422103.
- Charanka Solar Power Station -** H. No. 3, MI Park Society, Near MP Shah Commerce College, Vikas Path Road, Wadhawan City, Surendranagar, Gujarat, Pin Code-363035.
- Sadla Wind Power Station -** H. No 3, MI Park Society, Near MP Shah Commerce College, Vikas Path Road, Wadhawan City, Surendranagar, Gujarat, Pin Code-363035.
- Bihar Solar Power Project-** 169, Patliputra Colony Patna, 800013, Bihar.
- Bagodra Solar Power Project-** Office No. 902, One World West, Near Ambli T-Junction, S.P. Ring Road Bopal, Ahmedabad, Gujarat-380058.
- Parasan Solar Power Project-** Galaxy Glow, 546, B-Block, Panki, Opposite Tripathi Guest House, Kanpur (U.P)-208020.

**4. Projects under Subsidiary Companies: -**

- Buxar Thermal Power Project (STPL)-** 2<sup>nd</sup> & 3<sup>rd</sup> Floor, Nav Durga Complex, Ambedkar Chowk, Distt. Buxar, Bihar, Pin Code-802103.
- SJVN Arun-III Hydro Electric Project (SAPDC)-** Koshi Highway, Khandwari, Distt. Sakhuwasabha, Nepal.

**5. Projects under Joint Venture: -**

- Kholongchu Hydro Electric Project -** Trashiyangtse, Bhutan.

**xx. 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](mailto:cs.sjvn@sjvn.nic.in), Website: [www.sjvn.nic.in](http://www.sjvn.nic.in).

**For and on behalf of Board of Directors**

**(Nand Lal Sharma)**

**Chairman and Managing Director**

**DIN: 03495554**

**Date: 12<sup>th</sup> August, 2022**

**Place: Shimla**







## CERTIFICATE ON CORPORATE GOVERNANCE

To  
**The Members,**  
**SJVN Limited**  
**CIN: L40101HP1988GO1008409**  
**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 31<sup>st</sup> March, 2022 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 Agreements) of the said Company with stock exchanges) 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 the compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**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: F006973D000562275**

**Place : Ghaziabad**  
**Date: 04.07.2022**

## 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:

The following works has been carried during year 2021-22 related to Energy Conservation: -

#### 1. Rampur HPS

- i. Installation of flame proof/Explosion proof lights at all sensitive locations is a part of crisis & disaster management plan for power sector circulated as by Ministry of power, Govt of India to avoid last minute arrangements in panic conditions. The installation work is in progress.

- ii. With the replacement of high power consuming traditional luminaries with latest energy efficient LED fittings, the load has come down from 58KW to 16.86KW causing an energy savings of nearly 3.5 lakh units per year. The replacement cost nearly Rs 5 lakh, whereas the saving in revenue will be nearly Rs 17 lakh per year.

#### 2. Corporate Headquarters, Shimla

- i. 120 KWP On-Grid Solar Power Plant has been installed and successfully operating in CHQ, Shimla. Further, Water Solar Heating System of 5000 Ltr. Capacity has also been installed and hot water is being used in the building through this system only.
- ii. The process of obtaining GRIHA rating for CHQ Building is in process. The SJVN CHQ is designed and constructed with state of the art technology with green building concept equipped with Sewage treatment plant of 90 KLD per day capacity for waste water recycling, rain water harvesting system with capacity of 50 KL, Natural lighting with provision of Sky light Glasses, Fully centralized HVAC system, Escalators and Lifts, touch less soap dispensers





and Biometric iris recognition (face detecting) Attendance System.

- iii. Intelligent/automatic lighting system are used in building. Most of the lights installed in Gallery & Wash rooms are sensor controlled and thus saving electricity.
- iv. Developing a Bio-Diversity Park under CSR, land on lease from MC Shimla adjacent to the Building.
- v. SJVN Limited CHQ Building is being sanitized daily with latest technology for prevention of Pandemic COVID-19 infection.
- vi. Energy Audit of SJVN CHQ has been conducted on FY 2021-22 and are being conducted regularly in every three years and recommendation of Energy Audit has been implemented like improvement of power, use of LED lights in automation system etc.

**3. Other Energy Conservation Efforts:**

- i. Old SVL lamps at petrol pump, O&M store and old hard coating workshop have been replaced with the flame proof LED lighting fixtures.
- ii. Old conventional blower heaters that consumes more energy and having low power factor have been replaced with hot and cold dual type AC at auditorium.
- iii. Photosensitive Daylight Sensor have been provided in the Street lights using which the street lights automatically switch on and off according to the daylight conditions hence there is optimum use of Electrical Energy without any wastage.

**B. TECHNOLOGY ABSORPTION:**

The following works has been carried during year 2021-22 related to technology Upgradation: -

**1. Upgradation of existing obsolete Governor Control System with latest series of controllers, HMI and associated equipment's.**

Governor system acts as backbone of NJHPS Generating units and plays very important role in maintaining the Grid frequency for variation in real power demand. It controls the speed of turbine during starting of the machine and active power when machine gets synchronized. The entire control of the machine is governed by the Governor system. The Governor Control system of two nos. generating system has been successfully upgraded with the latest Governor Electronic Cubicle, Governor Hydraulic Cubicle, MIV Control Cubicle and associated equipment's to ensure the trouble free operation of the Governor system and also their spare availability for at least next twenty years. New Governor Control System equipped with 15 inches' touch based operator console for digitally display of all Governor relates parameters and event list for better analysis. The specially designed Controller for Governor System are fast, having extensive diagnostic facility for the fault identification & can be integrated with existing DCS System.

**2. Upgradation of existing CO2 fire protection system of NJHPS Generators.**

CO2 is an effective way of controlling fire damage. The CO2 gas is applied rapidly & the source of ignition is extinguished quickly without any damage. Rapid oxidation of a fire can cause significant damage in a generator in addition to producing toxic fumes, and the cost of revenue loss in addition to the cost of machine repair or replacement justifies the installation of a CO2 fire extinguishing system. One complete bank of CO2 fire protection system with control panel is upgraded in two Generating units of NJHPS.

**3. Upgradation of existing obsolete Electromechanical Relays with latest Numerical Relays of NJHPS.**

There are various types of electromechanical relays such as Instantaneous earth fault, under voltage relay, directional overcurrent relay, differential relay, overcurrent & earth fault relay etc. installed in the UAB & other substation boards. These were continuous in operation since their commissioning i.e. 2003, now (about 18 years later) most of the relay models used in existing systems had become obsolete, and it was difficult to maintain inventory of these items as these were not readily available in the market. Keeping in view of above, all electromechanical relays have been replaced with the latest model of numerical relays.

**4. Installation of Station Event Logger at POT HEAD YARD of 1500 MW NJHPS.**

Station Event Logger has been installed in NJHPS for collecting all the Events of Six Nos. Transmission Line Bays, Station Transformer Bay, reactor Bay, Bus Coupler Bay and Six Nos. Generator Bays at the time of any incident in the power station or in the transmission lines. The impact on all 15 Bays can be observed at the time of fault in any particular bay. This can make fault analysis fast and accurate.

**5. In-SITU Drilling Tapping of M16X60 Holes at PCD 2660 of Runner for Assembly of LLSR.**

Over the years due to extensive repair by welding & grinding on the damaged runners, M16 holes of runner which is used for fixing the Lower Labyrinth Seal Rotating (LLSR) have been distorted.

The fastening holes and seating areas of Lower Labyrinth Rotating have developed distortion, which is resulting in assembly and fitment problems.

It is difficult to assemble the Lower Labyrinth Seal Rotating (LLSR) with distorted M16x60 holes at PCD 2660 of Runner. To overcome this problem, In Situ drilling & tapping of new M16 holes is the better solution for distorted holes.

In situ drilling Tapping of M16x60 holes has been carried out in RN#102, RN#103, RN#104 & RN#202. M16 holes then drilled at the 12 marking using base plate and magnetic drilling machine. New M16 drilled holes are tapped with tapset. After successful in situ drilling & tapping of new M16x60 holes on the runner PCD 2660mm Lower Labyrinth seal Rotating is successfully assembled. The in-situ drilling tapping of new holes made proper fitment of LLSR with Runner and ensured safety & stability of runner during operation.

**6. Repair/Reclamation, Changing of Blade Segment, Reverse Engineering, 3D Scanning, Welding, Drilling, Tapping, Profile Grinding/Milling and Machining of Runner on CNC/VTL/VBM/ of 01 No. 250 MW FRANCIS Turbine Runner (RN#106) of NJHPS.**

NJHPS has been built as a run of the river project and houses six generating machines of 250 MW capacity having Francis Runners as the prime mover.

During monsoon season, Runner suffers considerable damages due to excessive silt & cavitation etc. It is necessitate to repair in order to limit further damage and make the runners for operation worthy. The yearly site repair majorly consists of weld deposition, grinding, refurbishment of crown and band inlet areas and repair of cracks (if any). However, after many operation cycles and repairs the runners have developed distortion, blade thinning. The exit of the blades have developed distortion and metallurgical degradation due to repeated welding.





Therefore, for Repair/Reclamation of Runner, Changing of Blade Segment, Reverse Engineering, 3D Scanning, Welding, Drilling, Tapping, Profile Grinding/Milling and Machining of Runner has been performed on 01 No. 250 MW Francis Turbine Runner (RN#106) of NJHPS.

The Hydraulic blade profile of the repaired/ reclaimed runner by reverse engineering & 3D scanning is obtained as of the new runner.

**7. Early Warning System.**

Early Warning System has been installed at Khab and Powari. In this scheme Radar type water level Sensors and water velocity sensors have been installed in the river and their data is being received in the Dam Control Room through telemetry where the data is being processed and displayed in the SCADA Screen. This scheme providing real time Discharge data as well as early warning in case of flood conditions in River Satluj.

**8. Liquid Fuel based HVOF Coating Facility at project site of 1500 MW Nathpa Jhakri Hydro Power Station.**

SJVN has successfully commissioned its 2<sup>nd</sup> HVOF Coating Facility at project site of 1500 MW Nathpa Jhakri Hydro Power Station – Jhakri, Distt. Shimla (H.P.) with an aim to enhance SJVN's capabilities in achieving highest standards of quality in the field of production based HVOF coating of turbine underwater components of existing as well as upcoming power stations set to operate under high silt load conditions.

The newly commissioned coating facility houses liquid fuel based HVOF Coating Equipment with 6-Axis Robot and tilting Coating Positioner Manipulators/Turtables (50 Ton Capacity).

The Liquid Fuel based HVOF Coating Equipment shall be helpful for production based coating works and shall save a significant amount of coating process time. With the installation of large Robotic System (IRB 6700) and tilting Coating Positioner Manipulators in the facility, coating of 'hard to access' areas of turbine underwater components having complex geometrical surface profiles shall be possible.

**Others Technology Absorption at Corporate Headquarters, Shimla**

i. AAC blocks are being used in construction of Auditorium Block and Guest House. Autoclaved aerated concrete (AAC) is a derivative of fly ash that is combined with cement, lime and water as an aerating agent. AAC is produced as blocks & panels.

It is approved eco-friendly building material that comes from industrial waste and is made from non-toxic ingredients.

ii. **Recycling plant to recycle kitchen waste:-**

A recycling plant is also installed at CHQ building to convert kitchen waste such as vegetables, fruits etc. into compost which can be used to condition & fertilize the soil.

**C. DIGITAL TECHNOLOGY ABSORPTION:**

**Information Technology:**

1. SJVN website and email services are being implemented on NIC infrastructure.
2. Thin client Systems are being used in SJVN along with desktop computers and laptops.
3. Centralized printing solution is being used in SJVN.
4. Monitoring of some projects is also being done through webcams.

5. Other Software used in SJVN are-

- Autodesk Products, Bentley STAAD Pro
- MIKE 11, Multigroundz Software package etc.
- ANSYS
- Primavera
- Libsys
- Biometric Attendance System etc.

**ERP Implementation:** SAP S/4 HANA ERP has been implemented in SJVN covering major business functions of SAP ERP landscape like Finance & Accounting, Plant Maintenance, Human Resource Management including Payroll, Material Management, Project System, Commercial Billing, Township billing, File Life Cycle Management (FLM), Employee Self Service (which comprises various applications) etc. With SAP FIORI Apps (for identified ESS applications, Generation & Discharge data, FLM applications).

**Other Portals/ Systems maintained by SJVN are-**

1. Recruitment portal;
2. Vendor Bill Tracking portal;
3. Retired Employees Portal-Medical e-card;
4. Engineering Drawing Management system portal;
5. Contract Labour Information Portal;
6. SAP ERP e-tendering system.

**D. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Foreign exchange outgo in terms of actual outflows during the year 2021-22 was ₹530.19 Crores (equivalent value of various currencies). Foreign exchange earned in terms of actual inflows during the year 2021-22 was Nil.

For and on behalf of Board of Directors

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

**Date: 12<sup>th</sup> August, 2022**  
**Place: Shimla**





## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY FOR THE FINANCIAL YEAR-2021-22

### 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 ‘SJVN Foundation’ is e-registered (Registration No: CSR00019659) with MCA, Gol for undertaking CSR activities. 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

Sr. 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.	Shri Subhash Chander Negi (Ceased w.e.f. 25 <sup>th</sup> March 2022)	Independent Director- Chairman of the Committee	2	2
2.	Dr. Rajnish Pande (Ceased w.e.f. 25 <sup>th</sup> March 2022)	Independent Director- Member	2	2
3.	Smt. Geeta Kapur (Ceased to be member w.e.f. 08 <sup>th</sup> January 2022)	Director (Personnel)- Member	1	1
4.	Dr. Udeeta Tyagi	Independent Director- Member	1	1
5.	Dr. Danveer Singh Yadav	Independent Director- Member	1	1

### 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).

The Impact Assessment of the CSR projects is being carried out through an external agency and after finalization of the report, the necessary compliance will be done.

### 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 Rs)	Amount required to be setoff for the financial year, if any (in Rs)
1	2020-21	168700000	-

### 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	2018-19	1791.28
2	2019-20	1959.36
3	2020-21	2166.02
4	Average of (1+2+3)	1972.22

### 7.

SN	FYs	Net profit (Rupees in Crore)
A	Two percent of average net profit of the company as per section 135(5)	39.44







SN	FYs	Net profit (Rupees in Crore)
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).	39.44

**8(a). CSR amount spent or unspent for the financial year 2021-22:**

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	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
	Not Applicable				

**(b) Details of CSR amount spent against ongoing projects for the financial year 2021-22:**

1	2	3	4	5		6	7	8	9	10	11	
				State	District						Name	CSR Registration Number
<b>1</b>	<b>Healthcare and Sanitation</b>											
	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	135518983	46867461	N/A	No	SJVN Foundation	CSR00019659
	b. Financial support to health institutions	(i)	Yes	HP, Gujrat	Shimla, Kinnaur, Hamirpur, Surendranaar, Patan	2 years	6049278	6049278	N/A	No	SJVN Foundation	CSR00019659
	c. Health camps in Project areas	(i)	Yes	HP, UK & Bihar	Shimla, Kinnaur, Kullu, Chamoli, Uttarkashi, Mandi, Hamirpur & Buxar	1 year	907500	907500	N/A	No	SJVN Foundation	CSR00019659
	d. Construction of Rotary Ashray Building at IGMC, Shimla	(i)	Yes	HP	Shimla	3 year	9666000	1133000	N/A	No	SJVN Foundation	CSR00019659
	e. Construction / completion of toilets in project areas	(i)	Yes	HP, UK & Bihar	Shimla, Kullu, Mandi, Hamirpur, Kinnaur, Uttarkashi, Chamoli & Bihar	1 year	10142015	8154284	N/A	No	SJVN Foundation	CSR00019659
	f. Survey of Toilets constructed under SVA-NABCONS	(i)	Yes	HP, UK, Bihar, Arunachal Pradesh	All distt. in HP, UK, Bihar & Arunachal Pradesh	2 years	3776000	1979200	N/A	No	SJVN Foundation	CSR00019659
	g. Project on the CSR Theme "School Education, Health and Nutrition" in Aspirational distt Chamba	(i)	Yes	HP	Chamba	4 years	33813613	6428413	N/A	No	SJVN Foundation	CSR00019659
	h. Project on the CSR Theme FY 21-22 in Aspirational distt Chamba	(i)	Yes	HP	Chamba	1 year	10000000	5000000	N/A	No	SJVN Foundation	CSR00019659
<b>2</b>	<b>Education, Skill Development and Livelihood Enhancement Programs</b>											
	a. Skill development trainings to local youth	(ii)	Yes	HP	Shimla, Kullu, Mandi & Hamirpur	5 months	1880000	1092000	N/A	No	SJVN Foundation	CSR00019659
	b. Support to Educational institutes	(ii)	Yes	HP	Shimla, Kinnaur & Kullu	1 year 8 months	57524949	37312654	N/A	No	SJVN Foundation	CSR00019659
	c. Integrated Tribal development program for Gram Panchayat Bari & Tranda, Distt- Kinnaur (H.P)	(ii)	Yes	HP	Kinnaur	6 years	22233000	11498315	N/A	No	SJVN Foundation	CSR00019659
	d. Project on the CSR Theme "School Education and Health" in Aspirational distt Chamba	(ii)	Yes	HP	Chamba	3 years	41750519	10445319	N/A	No	SJVN Foundation	CSR00019659
	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	32155092	17155092	N/A	No	SJVN Foundation	CSR00019659
	f. Construction of tribal hostel of Himgiri Kalyan Ashram (HP)	(ii)	Yes	HP	Shimla	1 year	2500000	2500000	N/A	No	SJVN Foundation	CSR00019659
	g. Support to 5 financially challenged but talented students for IIT coaching, CSRL, Delhi	(ii)	Yes	HP	All distt. in HP	1 year	1050000	84000	N/A	No	SJVN Foundation	CSR00019659
<b>3</b>	<b>Activities related to Gender Equality, empowering women, other welfare measures schemes for women etc.</b>											
	a. Installation of benches through MC Shimla	(iii)	Yes	HP	Shimla	2 years	2430000	537000	N/A	No	SJVN Foundation	CSR00019659
	b. Financial support to Udaan NGO for trainings of specially abled children	(iii)	Yes	HP	Shimla	3 years	2367300	375000	N/A	No	SJVN Foundation	CSR00019659
	c. Financial support to Mahila Mandal & Yuvak Mandals of H.P.	(iii)	Yes	HP	Mandi	1 year	15278931	5827500	N/A	No	SJVN Foundation	CSR00019659
<b>4</b>	<b>Projects on supply and installation of eco-friendly Lights etc. in project areas, water conservation, ecological balance etc.</b>											
	a. Installation of Solar Lights, High Mast Lights etc. in project areas	(iv)	Yes	HP, UK, Bihar	Shimla, Kullu, Mandi, Hamirpur, Kinnaur, Uttarkashi, Chamoli & Buxar	45 days	5407000	4729000	N/A	No	SJVN Foundation	CSR00019659





b. Construction of Multipurpose Medium Height Dams in village Gountat Nahana of District, Sirmour (HP)	(iv)	Yes	HP	Sirmour	2 years	5739160	4683719	N/A	No	SJVN Foundation	CSR00019659
c. Installation of 5750 LED Lights 23 assembly Constituencies of Shimla & Mandi Parliamentary Constituencies of HP	(iv)	Yes	HP	Kullu, Kinnaur, Mandi, Kangra, Lahaul & Spiti, Chamba, Solan & Shimla	5 years	128541411	5423112	N/A	No	SJVN Foundation	CSR00019659
d. Construction of Bio diversity park at Shanan, Shimla	(iv)	Yes	HP	Shimla	3 years	29443699	10298271	N/A	No	SJVN Foundation	CSR00019659
<b>5 Activities related to protection of national heritage, art and culture etc.</b>											
a. Financial support for Integrated development of Kevadia (Statue of Unity)	(v)	Yes	Gujarat	Narmada	3 years	50000000	29000000	N/A	No	SJVN Foundation	CSR00019659
b. Financial support for redevelopment of Badrinath Dham	(v)	Yes	UK	Chamoli	3 years	119915506	46628000	N/A	No	SJVN Foundation	CSR00019659
c. Renovation uplift and repair of Sri Chamba Devta Ji Mandir Complex at Jhakri, Tehsil-Rampur Bsr. Distt-Shimla (H.P.)	(v)	Yes	HP	Shimla	3 years	24498131	4498131	N/A	No	SJVN Foundation	CSR00019659
d. Support for construction / renovation of temples, heritage places etc.	(v)	Yes	HP & UK	Shimla, Kinnaur, Kullu, Chamoli & Uttarkashi	2 years	18758649	9581036	N/A	No	SJVN Foundation	CSR00019659
<b>6 Measures for the benefit of the armed forces veterans, war widows and their dependents</b>											
Projects on the measures for the benefit of armed forces	(vi)	Yes	HP	Mandi & Hamirpur	1 year	638000	376240	N/A	No	SJVN Foundation	CSR00019659
<b>7 Financial assistance for promotion of sports in project areas.</b>											
a. Financial support for improvement of playground to Yuvak mandal Dhartikanda, Shimla.	(vii)	Yes	HP	Shimla	1 year	480493	288296	N/A	No	SJVN Foundation	CSR00019659
b. Project on training on sports to Garhwal Football Club, New Delhi	(vii)	Yes	Delhi	Delhi	1 year	708000	354000	N/A	No	SJVN Foundation	CSR00019659
<b>8 Construction of community assets in and around project area, CHQ and other areas</b>											
a. Construction of Community assets in project areas	(x)	Yes	HP, UK & Bihar	Shimla, Mandi, Kinnaur, Kullu, Hamirpur, Lahaul Spiti, Uttarkashi, Chamoli & Buxar	2 years	70757456	38089979	N/A	No	SJVN Foundation	CSR00019659
b. Repair work at Yogoda Satsang Sansthan, Shimla	(x)	Yes	HP	Shimla	3 years	1447926	280466	N/A	No	SJVN Foundation	CSR00019659
c. Financial support for const. of community hall of Garhwal Sabha at Ramnagar, Shimla (HP)	(x)	Yes	HP	Shimla	3 years	1000000	200000	N/A	No	SJVN Foundation	CSR00019659
d. Additional financial support for const. of community hall of Garhwal Sabha at Ramnagar, Shimla (HP)	(x)	Yes	HP	Shimla	1 year	500000	200000	N/A	No	SJVN Foundation	CSR00019659
<b>9 Various Disaster Management and relief measures to combat COVID-19</b>											
Financial support for procurement & installation of Cold chain equipments in HP	(xii)	Yes	HP	Shimla, Mandi	1 year	2100400	1978200	N/A	No	SJVN Foundation	CSR00019659
<b>Total</b>						<b>848979011</b>	<b>319954466</b>				

**(c) Details of CSR amount spent against other than ongoing projects for the financial year 2021-22:**

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 in the current financial Year (in Rs.)	7 Mode of Implementation Direct (Yes /No)	8 Mode of Implementation –Through Implementing	
				State	District			Name	CSR Registration Number
<b>1 Healthcare and Sanitation</b>									
	a. Various Healthcare Initiatives including Health Camps, Running of MMUs, Dental Clinic & physiotherapy Center, support to Health Institutes etc.	(i)	Yes	HP, UK, Bihar, Delhi	Shimla, Kinnaur, Kullu, Chamba, Hamirpur, Kangra, Bilaspur, Mandi, Uttarkashi, Chamoli, Buxar & Delhi	42256084	No	SJVN Foundation	CSR00019659
	b. Hygiene and Sanitation Related activities such as implementation of Swachhta Action Plan, Construction and Maintenance of Toilets, solid waste transportation other swachhta/ hygiene promoting activities	(i)	Yes	HP, UK, Bihar, Maharashtra, Gujarat	Shimla, Kullu, Mandi, Hamirpur, Kinnaur, Uttarkashi, Chamoli, Buxar, Patan, Surendernagar	12724637	No	SJVN Foundation	CSR00019659
	c. Project on the CSR Theme FY 21-22 in Aspirational distt Chamba	(i)	Yes	HP	Chamba	3973000	No	SJVN Foundation	CSR00019659
<b>2 Education, Skill Development and Livelihood Enhancement Programs</b>									
	a. Sponsorship of project affected youths in Govt ITIs and Polytechnic	(ii)	Yes	HP, UK & Bihar	Shimla, Kullu, Mandi, Hamirpur, Kinnaur, Uttarkashi, Chamoli & Buxar	2287294	No	SJVN Foundation	CSR00019659
	b. Scholarship to meritorious students and sportsperson project areas	(ii)	Yes	HP, UK & Bihar	Shimla, Kullu, Mandi, Hamirpur, Kinnaur, Uttarkashi, Chamoli & Buxar	3204000	No	SJVN Foundation	CSR00019659
	c. Skill Development Programs through empaneled agency, specialized agencies for farmers, local youths etc.	(ii)	Yes	HP	Shimla, Kinnaur, Mandi, Kullu, Hamirpur	9308177	No	SJVN Foundation	CSR00019659
	d. Other education related activities such as setting up libraries, support to children science congress, support to educational institutes etc.	(ii)	Yes	HP, UK & Bihar	Shimla, Kullu, Mandi, Hamirpur, Kinnaur, Uttarkashi, Chamoli & Buxar	3351998	No	SJVN Foundation	CSR00019659





<b>3</b>	<b>Activities related to Gender Equality, empowering women, other welfare measures schemes for women etc.</b>									
	Projects on gender equality, empowering women, other welfare measures schemes for women etc.	(iii)	Yes	HP, UK & Bihar	Shimla, Kullu, Mandi, Hamirpur, Kinnaur, Uttarkashi, Chamoli & Buxar	507585	No	SJVN Foundation	CSR00019659	
<b>4</b>	<b>Projects on supply and installation of eco-friendly Lights etc. in project areas, water conservation, ecological balance etc.</b>									
	a. Installation of solar lights, high mast lights, water conservation activities etc. in project areas	(iv)	Yes	HP & UK	Shimla, Kinnaur, Hamirpur, Kullu, Mandi, Uttarkashi & Chamoli	27454589	No	SJVN Foundation	CSR00019659	
	b. Financial support for construction of Gau Sadan in project areas	(iv)	Yes	HP	Shimla	400000	No	SJVN Foundation	CSR00019659	
	c. Energy conservation program initiated by BEE, MOP for school children	(iv)	Yes	HP	All Districts in H.P.	1689640	No	SJVN Foundation	CSR00019659	
<b>5</b>	<b>Activities related to protection of national heritage, art and culture etc.</b>									
	a. Preservation and Promotion of Culture, support to other culture events/places	(v)	Yes	HP & UK	Shimla, Kinnaur, Mandi, Kullu, Hamirpur, Uttarkashi & Chamoli	7077891	No	SJVN Foundation	CSR00019659	
	b. Support for traditional Handloom & Handicraft training programme in Project affected villages.	(v)	Yes	HP	Kinnaur	829000	No	SJVN Foundation	CSR00019659	
<b>6</b>	<b>Promotion of national, rural sports in project areas.</b>									
	Financial assistance for promotion of sports in project areas.	(vii)	Yes	HP	Shimla, Kullu, Mandi	2926800	No	SJVN Foundation	CSR00019659	
<b>7</b>	<b>Rural Development projects</b>									
	Construction of community assets in and around project area, CHQ and other areas	(x)	Yes	HP, UK & Bihar	Shimla, Kinnaur, Mandi, Kullu, Hamirpur, Lahaul Spiti, Uttarkashi, Chamoli & Buxar	40801143	No	SJVN Foundation	CSR00019659	
<b>8</b>	<b>Slum Area Development</b>									
	Skill development training for economic upliftment of slum dwellers.	(xi)	Yes	Delhi	Delhi	700000	No	SJVN Foundation	CSR00019659	
<b>9</b>	<b>Various Disaster Management and relief activities</b>									
	Activities on COVID-19 relief measures, other disaster management activities, assistance to State Disaster Management Authorities etc.	(xii)	Yes	HP, UK, Bihar, Maharashtra	Shimla, Kullu, Hamirpur, Kinnaur, Mandi, Buxar, Ara, All Districts of UK, Ahmednagar	36389643	No	SJVN Foundation	CSR00019659	
	<b>Total</b>					<b>195881480</b>				

(d) Amount spent in Administrative Overheads : **Rs.8,84,922/-**

(e) Amount spent on Impact Assessment, if applicable : **Nil**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) : **Rs.51,67,20,868/-**

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs. Crore)
(i)	Two percent of average net profit of the company as per section 135(5)	39.44
(ii)	Total amount spent for the Financial Year	51.67
(iii)	Excess amount spent for the financial year [(ii)-(i)]	12.23
(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)]	12.23

**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 Rs.)	Amount spent in the reporting Financial Year (in Rs.)	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 Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
Not Applicable							
<b>TOTAL</b>							

**(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 Rs.)	Amount spent on the project in the reporting financial year (in Rs.)	Cumulative amount spent at the end of reporting financial year (in Rs.)	Status of the project - Completed / Ongoing
1	SJVN-NJHPS- CSR-001	Renovation uplift and repair of Sri Chambu Devta Mandir Complex at Jhakri, Tehsil- Rampur Bsr. Distt- Shimla (H.P.)	2018-19	3 years	24498131	4498131	24498131	Completed
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	9992100	5000000	9992100	Ongoing
3	SJVN-NJHPS- CSR-003	Financial assistance for Bodh Mandir Sangla, Distt. Kinnaur, H.P.	2019-20	1 year	2962000	1481121	2369721	Ongoing
4	SJVN-NJHPS- CSR-004	Operation of Mobile Medical Unit (MMUS) in Project areas Distt. Shimla (HP).	2019-20	3 Years	10029218	2639685	7677855	Ongoing
5	SJVN-NJHPS- CSR-005	Operation of Mobile Medical Unit (MMUS) in Project areas Distt. Kinnaur (HP)	2019-20	3 Years	9831694	2276498	8306650	Ongoing
6	SJVN-NJHPS- CSR-006	Financial assistance for Sapni Fort, Distt. Kinnaur, H.P.	2019-20	2 years	9311000	0	5000000	Ongoing
7	SJVN-NJHPS- CSR-007	Integrated Tribal development program for Gram Panchayat Bari & Tranda , Distt- Kinnaur (H.P)	2020-21	6 years	22233000	11498315	16442515	Ongoing
8	SJVN-NJHPS- CSR-008	Construction of toilet block with water stand in Chitkul Devi Temple, Distt. Kinnaur, H.P.	2019-20	1 year	906009	181202	906009	Completed





9	SJVN-NJHPS-CSR-009	Construction of pucca path from Zoling Mandir (Maheshwar) to Det Sungra via Wangte, Gram panchayat sungra, Tehsil-Nichar, Distt- Kinnaur (HP)	2020-21	04 months	1565877	1565877	1565877	Completed
10	SJVN-NJHPS-CSR-010	Financial assistance for construction of meeting place in Nag devta Mandir, Grange, Tehsil- Nichar, Distt- Kinnaur (H.P)	2020-21	06 months	500000	250000	500000	Completed
11	SJVN-NJHPS-CSR-011	Construction of School building at Temporary colony Nathpa.	2020-21	02 years	42135796	26639505	31617049	Ongoing
12	SJVN-RHPS-CSR-001	Providing Chequerred Cement Tiles alongwith edge wall in path from Kohlu (Near Bayal Village) To Village Dharopa (1st Stage-RD-0.00 to 450.00 from Kohlu to Mandwa Mela Ground) in Gram Panchayat Gadej.	2019-20	02 months	5857552	0	117150	Ongoing
13	SJVN-RHPS-CSR-002	Operation of Mobile Medical Unit (MMUS) in Project area Shimla and Kullu Districts of HP	2020-21	3 years	8651671	3352574	3352574	Ongoing
14	SJVN-LHEP-CSR-001	Financial support to Rotary for construction of Rotary Ashray Building at IGM, Shimla	2018-19	3 years	9666000	1133000	9666000	Completed
15	SJVN-LHEP-CSR-002	Construction of Sewerage system at village Sainj, Distt. Kullu, H.P.	2018-19	3 years	500,000	0	150000	Ongoing
16	SJVN-LHEP-CSR-003	Construction of Sarai Bhawan, Devta Shri Marichi Mandir, Kumarsain, H.P.	2017-18	4 years	2,500,000	0	2250000	Ongoing
17	SJVN-LHEP-CSR-004	Construction of Sarai Bhawan Mahila Mandal Bhawan Dhoba, H.P.	2018-19	3 years	320,000	284,000	284000	Ongoing
18	SJVN-LHEP-CSR-005	Operation of Mobile Medical Unit (MMUS) in Project area Shimla and Mandi Districts of HP	2019-20	3 years	11,906,718	3,761,000	10830506	Completed
19	SJVN-DSHEP-CSR-001	Adrash Gram Yojna Tehsil Lad Bharol, Distt Mandi, H.P.	2019-20	3 years	7023663	0	2809465	Ongoing
20	SJVN-DSHEP-CSR-002	Operation of Mobile Medical Unit (MMUS) in Project area Hamirpur & Kangra Districts of HP	2019-20	3 years	10639619	3469220	9739619	Ongoing
21	SJVN-DSHEP-CSR-003	Construction of Sainik Training Academy, Sarkaghat, Distt. Mandi	2020-21	3 years	5000000	0	2000000	Ongoing
22	SJVN-DSHEP-CSR-004	Financial support to community Hospital for various medical infrastructural facilities at Jogindernagar, Distt. Mandi (H.P.)	2020-21	3 years	1525000	604886	1216886	Ongoing
23	SJVN-DSHEP-CSR-005	Financial assistance for the construction of CSD canteen and sainik aramgah at Sandhole, Distt. Mandi	2020-21	3 years	10000000	4000000	4000000	Ongoing
24	SJVN-SDHEP-CSR-001	Operation of Mobile Medical Unit (MMUS) in Project area Shimla & Mandi Districts of HP	2019-20	3 years	11563448	3130000	10563448	Ongoing
25	SJVN-SDHEP-CSR-002	Financial support for const. work of Satluj Waterfront Beautification and Development work at Tatapani	2019-20	02 years	10572000.00	3171528	10572000.00	Completed
26	SJVN-SDHEP-CSR-003	Financial support for const. of Sarai Bhawan Mela Ground Marola, Gram Panchayat, Bindla	2019-20	02 years	950000.00	190000	950000.00	Completed
27	SJVN-SDHEP-CSR-004	Financial support for const. of Ambulance road Brel to Bikar, Sunni, Shimla	2019-20	02 years	260000.00	156000	260000.00	Completed
28	SJVN-JTPHEP-CSR-001	Nomination of project affected youths in Govt ITIs, Distt. Kinnaur, H.P.	2019-20	2 years	408000	101200	413290	Completed
29	SJVN-JTPHEP-CSR-002	Operation of Mobile Medical Unit (MMUS) in Project area in Kinnaur District of HP	2019-20	3 years	10201832	2704778	9340365	Completed
30	SJVN-JTPHEP-CSR-003	Financial support to Sh. Berang Nag Mandir Sangla for carrying out work of 'Extension of mandir complex, const. of community hall and rainshelter at Sangla, Kinnaur	2020-21	1 year 5 months	7535400	4521240	7535400	Ongoing
31	SJVN-NMHEP-CSR-001	Construction of Fodder / Wood Storage room to 3579 families to prevent damage from fire in Mori, Distt. Uttarkashi, UK.	2018-19	3 years	132820268	0	80000000	Ongoing
32	SJVN-NMHEP-CSR-002	Mobile Medicare Unit NMHEP	2019-20	3 years	10323340	2807406	9387538	Ongoing
33	SJVN-DHEP-CSR-001	Operation of Mobile Medical Unit (MMUS) in Project area of DHEP	2019-20	3 years	17368880	5954000	17368878	Ongoing
34	SJVN-BTPP-CSR-001	Operation of Mobile Medical Unit (MMUS) in Project area of BTPP	2020-21	3 years	16114214	5354958	10816203	Ongoing
35	SJVN-KWPP-CSR-001	Operation of Mobile Medical Unit (MMUS) in Project area of KWPP	2020-21	3 years	8226418	2978000	5578000	Ongoing
36	SJVN-CHQ-CSR-001	Financial support for const. of Gynamsium at Ramgaria Sabha, Lower Kaiithu, Shimla, H.P.	2019-20	3 Years	3292000	3062600	3721000	Completed
37	SJVN-CHQ-CSR-002	Construction of new School building cum Home for special children at Dhalli Shimla	2016-17	6 Years	82799000	0	51800000	Ongoing
38	SJVN-CHQ-CSR-003	Financial support for const. of Hostel Block in HP Law University, Shimla (HP)	2019-20	3 Years	108000000	0	54000000	Ongoing
39	SJVN-CHQ-CSR-004	Installation of Grid connected Solar Power Plant at GHSS, Mundreri, Kannur (Kerala)	2019-20	2 Years	6685000	0	6016500	Ongoing
40	SJVN-CHQ-CSR-005	Providing scholarship to students under SJVN Silver Jubilee Merit Scholarship Scheme	2017-18	As per duration of Course	32155092	21917985	21917985	Ongoing
41	SJVN-CHQ-CSR-006	Skill Development Training to local youths through NSDC in H.P., U.K. and Bihar.	2019-20	3 Years	18939226	0	18198130	Completed
42	SJVN-CHQ-CSR-007	Installation of 5750 LED Lights 23 assembly Constituencies of Shimla & Mandi Parliamentary Constituencies of HP	2017-18	5 Years	128541411	5243571	97950848	Ongoing
43	SJVN-CHQ-CSR-008	Construction of Shree Mahakali Mata Temple & railining around at Deondar, Tehsil-Chopal (HP)	2018-19	3 Years	5054000	2021678	4043356	Ongoing
44	SJVN-CHQ-CSR-009	Financial support for construction of Yatri Sadan, Churdhar, District, Sirmour (HP)	2018-19	3 years	7212000	2884000	5768000	Ongoing
45	SJVN-CHQ-CSR-010	Construction/Improvement of link road from NH-22 to Village Shanani & addl. work reg. provision of duct system for cabling and culvert and channelization of Nallah, at Shanani, Shimla (HP)	2018-19	3 Years	20942817	34923	17232287	Completed
46	SJVN-CHQ-CSR-011	Development of Rani Ground at Kasumpti, Parimahal, Shimla (HP)	2018-19	3 Years	15053399	2378162	14900324	Completed







47	SJVN-CHQ-CSR-012	Construction of Ambulance road from main road to Village Kawalag in GP, Pujalri Distt. Shimla (HP)	2018-19	3 Years	1000000	0	800000	Ongoing
48	SJVN-CHQ-CSR-013	Repair work at Yogoda Satsang Sansthan, Shimla (HP)	2019-20	3 Years	1447926	280466	1438807	Completed
49	SJVN-CHQ-CSR-014	Financial support for const. of community hall of Garhwal Sabha at Ramnagar, Shimla (HP)	2018-19	3 Years	1000000	200000	1000000	Completed
50	SJVN-CHQ-CSR-015	Installation of benches through MC Shimla	2020-21	2 year	2430000	537000	537000	Ongoing
51	SJVN-CHQ-CSR-016	Financial support to Mahila Mandal & Yuvak Mandals of H.P.	2020-21	1 year	15278931	5827500	5827500	Ongoing
52	SJVN-CHQ-CSR-017	Construction of tribal hostel of Himgiri Kalyan Ashram (HP)	2020-21	1 year	5000000	2500000	5000000	Completed
53	SJVN-CHQ-CSR-018	Support to 5 financially challenged but talented students for IIT coaching, CSRL, Delhi	2020-21	1 year	1050000	84000	1050000	Completed
54	SJVN-CHQ-CSR-019	Construction of Multipurpose Medium Height check dam in village Gount at Nahana of District, Sirmour (HP)	2020-21	2 years	5739160	4683719	5739160	Completed
55	SJVN-CHQ-CSR-020	Construction of Bio diversity park at Shanan, Shimla	2020-21	3 years	29443699	10298271	15127976	Ongoing
56	SJVN-CHQ-CSR-021	Financial support for Integrated Development of Kevadia (Statue of Unity)	2020-21	3 years	50000000	29000000	49000000	Ongoing
57	SJVN-CHQ-CSR-022	Financial support for redevelopment of Badrinath Dham	2020-21	3 years	119915506	46628000	46628000	Ongoing
58	SJVN-CHQ-CSR-023	Financial support for improvement of playground to Yuvak Mandal Dhartikanda, Shimla	2020-21	1 year	480493	288296	480493	Completed
59	SJVN-CHQ-CSR-024	Financial support for procurement & installation of Cold chain equipments in HP	2020-21	1 year	2100400	1978200	1978200	Ongoing
60	SJVN-CHQ-CSR-025	Skill development trainings to local youths through HIMCON	2020-21	1 year	1880000	1092000	1092000	Ongoing
61	SJVN-CHQ-CSR-026	Financial support to Plenum School, Sirmour (HP) for const. of football playground	2020-21	1 year	700000	560000	560000	Ongoing
62	SJVN-CHQ-CSR-027	Project on the CSR Theme "School Education, Health" in Aspirational Distt Chamba	2018-19	4 years	41750519	10445319	41450519	Ongoing
63	SJVN-CHQ-CSR-028	Project on the CSR Theme "School Education, Health and Nutrition" in Aspirational Distt Chamba	2019-20	3 years	33813613	6428413	30443613	Ongoing
		<b>TOTAL</b>			<b>1100038908</b>	<b>245204495</b>	<b>749884795</b>	

**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 (asset-wise details).- NIL**

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- 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

**(Dr. Danveer Singh Yadav)**  
Chairman CSR, SD & R&D Committee  
DIN: 09391688

**Date: 12<sup>th</sup> August, 2022**

**Place: Shimla**



**Business Responsibility Report**

**Section A: General Information about the Company**

<b>Corporate Identity Number (CIN) of the Company</b>	L40101HP1988GOI008409
<b>Name of the Company</b>	SJVN Limited
<b>Registered address</b>	SJVN, Corporate Office Complex, Shanan Shimla – 171006, Himachal Pradesh
<b>Website</b>	www.sjvn.nic.in
<b>E-mail ID</b>	cs.sjvn@sjvn.nic.in
<b>Financial Year reported</b>	2021-22
<b>Sector(s) that the Company is engaged in (industrial activity code-wise)</b>	Power Generation (35101)
<b>List three key products/services that the Company manufactures/provides (as in balance sheet)</b>	(i) Generation of Electricity (Hydro, Wind, Solar) (ii) Consultancy (iii) Transmission
<b>Total number of locations where business activity is undertaken by the Company</b>	
<b>i. Number of International Locations</b>	2 nos
<b>ii. Number of National Locations</b>	17 nos
<b>Markets served by the Company - Local/ State/ National/ International</b>	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, 2022)**

<b>Paid up Capital (INR)</b>	₹ 3,929.80 Crore
<b>Total Turnover (INR) (Revenue from Operations)</b>	₹ 2421.96 Crore
<b>Total profit after taxes (INR)</b>	₹ 977.52 Crore
<b>Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)</b>	During the FY 2021-22, SJVN has spent Rs. 51.67 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.
<b>List of CSR activities in which expenditure has been incurred:-</b>	<b>Broad areas of the activities:</b> • 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.

	<ul style="list-style-type: none"> <li>• Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.</li> <li>• Promoting gender equality, empowering women, setting up 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.</li> <li>• 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.</li> <li>• 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.</li> <li>• Rural Development Projects.</li> <li>• Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.</li> <li>• 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.</li> <li>• Disaster management, including relief, rehabilitation and reconstruction activities.</li> </ul>
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**Section C: Other Details**

<b>Does the Company have any Subsidiary Company/ Companies?</b>	Yes, The Company has following three Subsidiary Companies as on 31.03.2022 i. SJVN Thermal Private Limited
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	ii. SJVN Arun-III Power Development Company Private Limited. iii. SJVN Green Energy Limited.
<b>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)</b>	Business Responsibility initiatives of the parent company are applicable to all subsidiary companies of SJVN.
<b>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%]</b>	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**

<b>DIN Number</b>	03495554
<b>Name</b>	Sh. Nand Lal Sharma
<b>Designation</b>	Chairman and Managing Director

**b) Details of the BR head**

S.No.	Particulars	Details
1.	<b>DIN Number (if applicable)</b>	03495554
2.	<b>Name</b>	Sh. Nand Lal Sharma
3.	<b>Designation</b>	Chairman and Managing Director
4.	<b>Telephone number</b>	0177-2660010
5.	<b>E-mail id</b>	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 areas 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.html>





**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](http://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 the 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.**  
Annually.
- **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](http://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 31.03.2022.

**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 9048.57 MUs of energy from Hydro Electric projects during FY 2021-22. Additionally, SJVN is also producing electricity through wind and solar power plants (159.90 MUs generated during FY 2021-22) 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 420 GW by 2030 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 4% 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 2021-22, had procured 50.97% of its annual procurement from MSEs out of which 1.01% was procured from MSEs owned by SC/ST entrepreneurs & 2.18% from MSEs owned by Women entrepreneurs. Three (03) No. Vendor Development Programmes have been organized 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 cannot be 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 being recycled for getting compost/biogas. Various methodologies like organic waste converter, vermicomposting, bio methanation, etc. are in place for the same. The company has also inventoried its e-waste and has been filing returns for its Himachal Pradesh and Uttarakhand projects/offices to the concerned SPCBs.

**Principle 3**

**1. Please indicate the total number of employees.**

As on March 31, 2022, there were 1412 employees in SJVN.

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

As on March 31, 2022, there were 170 employees on temporary/ contractual basis in SJVN.

**3. Please indicate the number of permanent women employees.**

As on March 31, 2022, there were 147 permanent women employees in SJVN.

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

As on March 31, 2022, there were 30 differently abled employees in SJVN.

**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.**

Sr. No.	Category	No. of complaints filed during the financial year	No of complaints pending as on March 31, 2022
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 66.37%
- Permanent Women Employees 83.34%
- Casual/Temporary/Contractual Employees -
- Employees with Disabilities 51.7%

**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 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 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 a 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 31.03.2022.

**Principle 6**

**1. Does the policy relate 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 generate reliable eco-friendly power by employing state of the 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 (CEIA) studies are carried out by SJVN through NABET accredited external consultants 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 Khirvie 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 in 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, 2022.**

No show cause/legal notice is pending as on March 31, 2022.

**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 to these, SJVN is a member of SCOPE, ASSOCHAM, FICCI, CII, CIGRE, Tunneling Association of India (TAI), Power Foundation, INCOLD, CBIP, DELNET etc.

**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 always endeavors to Support 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 through internal and external agencies as per the nature of the program. The programs having elements of specialization are executed through external specialized agencies, otherwise executed through inhouse resources. Further, with a view to encourage community participation the programs are also 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?**

Yes. In compliance to the revised CSR rules notified by MCA vide dated 21.01.2021, the impact assessment of CSR and Sustainability programs completed till FY 2020-21 are under process through an external expert agency M/s SR Asia, Ghaziabad (UP).

**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 2021-22, an amount of ₹58.45 Crore was kept for CSR and Sustainability activities including community development work which is over and above the 2.00% of the average net profit of SJVN during last three years i.e. ₹39.44 Crore. The total expenditure incurred on community development, health, hygiene, education, skill development and infrastructural development comes to ₹51.67 Crore. The details of projects undertaken by SJVN during FY 2021-22 are mentioned in the prescribed format 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 initiatives are selected, executed and monitored through a well-designed approach envisaged under the CSR Policy of SJVN. The initiatives are selected through participatory approach involving beneficiary community. Further, it is also executed through their engagement and monitored through their feedback.

**Principle 9**

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

As on 31st March, 22, 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, 2022. 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, 2022.

**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.

For and on behalf of Board of Directors

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

Date: 12<sup>th</sup> August, 2022  
Place: Shimla







**ESG FOOTPRINTS: OUR CORE TO PROTECT THE PLANET & ITS PEOPLE**

**1. INTRODUCTION**

**Vision of SJVN Ltd. (hereinafter, “SJVN” or the “Company”)**

**“To be the best-in-class Indian Power Company globally admired for developing affordable clean power and sustainable value to all stakeholders.”**

The mission of SJVN Ltd. is to promote socio-economic development and maximise the interests of shareholders and stakeholders. This will be done by creating and managing projects in an economical and environmentally responsible manner. The company also wants to implement innovative approaches for technological excellence and nurture its human resources talent. SJVN prioritises constant expansion and diversification.

The Company has completed seven projects aggregating 2016.5 MW of installed capacity and 86 km of 400 KV Transmission Line since starting with a single project and a single State operation i.e., India’s largest 1500 MW Nathpa Jhakri Hydro Power Station in Himachal Pradesh. In addition to neighbouring Nepal and Bhutan, SJVN is now having power projects in Himachal Pradesh, Uttarakhand, Bihar, Maharashtra, Gujarat, Uttar Pradesh, Punjab, and Arunachal Pradesh.

SJVN aims to reach 5000 MW in capacity by 2023, further aiming 25,000 MW by 2030 and 50,000 MW by 2040. Currently, out of SJVN’s 31,562 MW total project portfolio, 2016.5 MW are in operation, 4426 MW are under construction, 1868 MW are in the pre-construction and 4538 MW are in survey and investigation stages. In the Dibang basin of Arunachal Pradesh, capacity of 5097 MW was recognised by the Ministry of Power and the Gol, and Pumped Storage Projects (PSPs) with a capacity of 13,950 MW are now being allocated.

SJVN has received various prizes and accolades for doing public activities. It has recently received first prize in Swachhta Pakhwada Award, 2022 which is conferred by the Ministry of Power, Gol in recognition of the outstanding contribution of the PSUs to Swachh Bharat Abhiyan. The Green Rating for Integrated Habitat Assessment "GRIHA" Council has given SJVN’s corporate headquarters, "Shakti Sadan," a four-star rating. Shakti Sadan is the first building in the state of Himachal Pradesh to receive this grade, which is a source of pride for SJVN. The 13th CIDC Vishwakarma Awards 2022 have been given to SJVN in the "Corona Warriors Award" and "Partners in Progress" categories. These renowned honours have been given to SJVN in recognition of its outstanding efforts and achievements in the areas of health and hygiene, education and skill development, infrastructure improvement, and sustainable development as part of its corporate social responsibility. Smt. Geeta Kapur, Director (Personnel) & Chairperson of the SJVN Foundation, has furthermore received the "CIDC Chairman’s Commendation Trophy in the Individual Capacity" in addition to these two honours.

**2. CHAIRMAN’S MESSAGE ON SUSTAINABILITY**

SJVN Ltd, which was founded a few decades ago as a single project and single state company, has now reached adulthood and is a fully diversified international power sector company engaged in all varieties of conventional and non-conventional forms of energy as well as power transmission industry. Hydropower plants are essential to the company’s success. However, merely creating hydropower projects without giving the environment any consideration would go against the deeply ingrained beliefs of environmental preservation held by SJVN. All policymakers agree that there is a need for inclusion of environmental concerns into the developmental plans. In a developing nation like India, where it can be difficult to preserve healthy landscapes and the advantages they provide without interfering with expanding infrastructure development projects, the need is even more pressing.

SJVN holds that the three pillars of sustainable development- economic development, social development, and environmental development- should each be given equal weightage. As stated in its goal, SJVN has dedicated itself to creating reasonably priced renewable energy. SJVN’s guiding principle has always been to uphold community goodwill throughout the organization’s development. As a result, SJVN sees it as part of its purpose to create and run projects in a socio-environmentally friendly manner, and protecting the environment has always been a major priority for the company.

SJVN is aware of the advantages, hydropower development has for society, particularly when creative environmental improvement initiatives are implemented. SJVN has constantly minimised environmental hazards, followed the best environmental practices, and complied with all applicable environmental laws and standards. With activities meant to create a sustainable company, we also continue to strengthen our already robust ESG framework each year.

**3. ALIGNMENT WITH UN SDGs**

The Company conducts thorough material analysis as part of its effort to be in compliance with international standards, which aids in keeping it focused on its ambitions and goals for a sustainable and equitable future. The Company maps its annual actions against the Sustainable Development Goals of the United Nations (referred to as “UN SDGs”/ “SDGs”) in order to evaluate its exposure, allocate resources efficiently and offer investors with timely, comparative and consistent information.

The Company takes steps to reduce potential negative effects and supports a culture that is environmentally and ecologically beneficial because it recognises that its operations entail the use of numerous resources and have an influence on people and the planet. SJVN has mapped all its initiatives and is aligned with the 17 SDGs as enumerated in Section 4.







**DEFINING ESG AT SJVN**

**4.1 SJVN'S DEDICATION TOWARDS ENVIRONMENT**

**4.1.1 ADVANCEMENT TOWARDS RENEWABLE ENERGY AND GREENER EARTH**

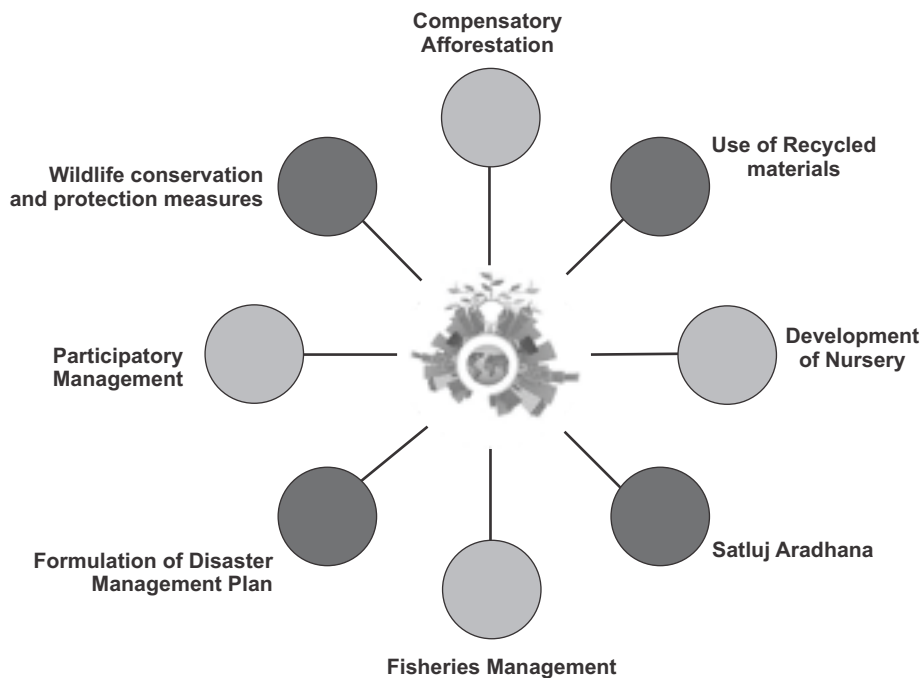


**Alignment with relevant UN SDGs**

With Prime Minister Sh. Narendra Modi's goal of producing 500 GW of energy from non-fossil sources by 2030 as a backdrop, SJVN has set out an ambitious path to advance renewable energy.

In order to realise this ambition, SJVN is expanding its portfolio with large renewable projects. The company's portfolio as a whole contains about 31,500 MW. The company is moving closer to achieving its Shared Vision of 5000 MW by 2023, further aiming 25,000 MW by 2030, and 50,000 MW installed capacity by 2040 as a result of these recent additions of new projects.

SJVN has consistently directed its projects toward sustainable development. SJVN has spent around INR 522.23 lakhs on the activities or initiatives taken to ensure environment sustainability in FY 2021-22. At Company's flagship 1500 MW Nathpa Jhakri Hydropower Station and 412 MW Rampur Hydropower Station, SJVN had implemented a number of initiatives for environmental conservation toward this objective.



**Initiatives taken by SJVN for Environmental Conservation**



**Compensatory Afforestation**

SJVN has prepared a well-defined Compensatory Afforestation Plan to compensate for the diversion of forest land as per the prevalent provisions under the Forest (Conservation) Act, 1980. At various areas in Jhakri, Kotla, and Nathpa, as well as project sites such outfall & pothead yard, etc. SJVN has undertaken afforestation of more than 20,000 plants and trees.

**Use of Recycled Material**

SJVN is finding inventive applications for its used paper and kitchen garbage. Kitchen garbage is used to manufacture manure (used in the project’s nursery) and cooking gas for the workplace cafeteria, while paper waste is used to make pencils and office files.

**Promoting Bio diversity**

SJVN has planted a lot of rare species plants and trees near its plant and develop it as a nursery for the people to use. Across different areas of SJVN’s operational sites, it has planted species like Hibiscus, Bottle brush, Alstonia, Tecoma, etc.

**Project Satluj Aradhana**

Since the beginning of time, India has worshipped water supplies in order to honour and protect its rivers, reservoirs, and other water sources. The Satluj River is regarded by SJVN as the company’s very important water resource body ‘Satluj Aradhana’ is a special campaign to raise public awareness about protecting and maintaining our rivers, as well as a way to express thanks to the enormous Satluj river, which provides us with a great deal of electricity, income, and environmental stability. Satluj Aradhana has cultivated environmental awareness among the populace and matched our traditional cultural and religious values with contemporary environmental philosophy and principles.

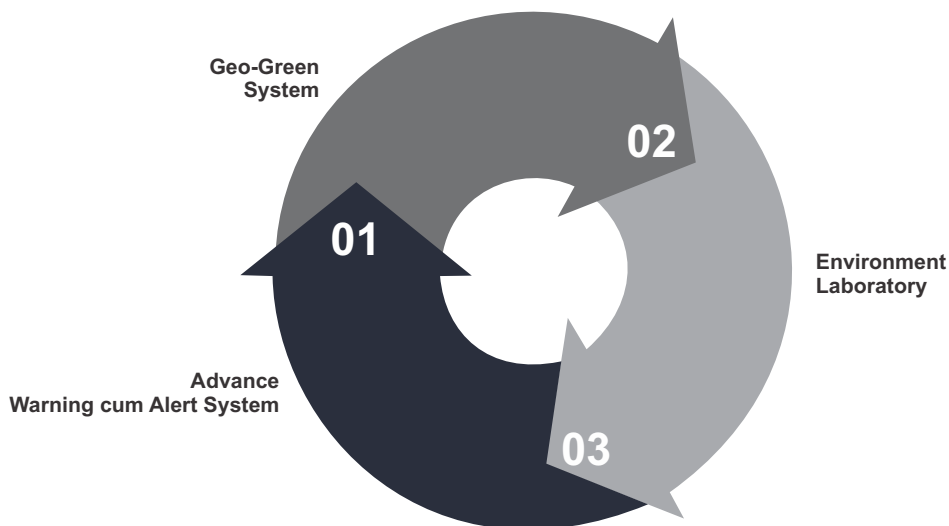
**Fisheries Management**

SJVN has provided the State Fisheries Department with INR 100 lakhs under the project’s Fisheries Management in order to establish a fish hatchery in Macchial, close to Jogindernagar in the Mandi District. Construction of hatchery’s building has already been completed.

**Participatory Management**

SJVN mandated to water project access roads and construction sites with sprinklers in order to maintain air quality below acceptable ranges and avoid fugitive emissions. Further, the respective Panchayats had been given the task of sprinkling water on unpaved roads within their authority in consideration of the significance of building public goodwill. This has served as an excellent example of environmental benefit through participatory management.

**4.1.2 STEPS TOWARDS TECHNOLOGICAL ADVANCEMENTS**



*SJVN's Steps towards Technological Advancement*

**Ensuring public safety**

SJVN has installed Advance Warning cum Alert System at Nathpa Jhakri Hydro Electric Project. To warn the population before the release of water from Nathpa Dam, it has two control stations, 11 siren positions, and four sirens mounted on 13-meter Galvanized Iron (GI) poles at each point. The project has erected sirens from Nathpa Dam to the SJVN Averi shop (before Bayal).

**The Geo Green approach**

SJVN has adopted Geo-Green Erosion Control Blanket at Rampur Hydro Power Station. Made of biodegradable coconut fibres and bonded with high-density polyethylene for increased strength to endure steep slopes and shifting weather patterns, the Geo-green Erosion Control Blanket is a product that controls erosion. In addition to holding water for longer periods, these blankets gradually biodegrade over time to completely match the soil conditions.

**Research & Development**

SJVN has constructed an environment laboratory at Jhakri to conduct routine environmental parameter monitoring. As it offers qualitative and quantitative data for decision-making and monitors permitted limits of numerous parameters, the laboratory is the focal point of SJVN pollution abatement and control operations. For the purpose of monitoring air, water and noise pollution, this laboratory complies with the testing criteria and procedures set forth by the State Pollution Control Board, Central Pollution Control Board, and Ministry of Environment, Forest and Climate





Change (MoEF &CC). It is the first laboratory in the area and is set up to analyse drinking water, air quality, noise and other environmental samples using a variety of chemical and bacterial methods.

**4.2 RESPONSIBILITY TOWARDS PEOPLE**

Because the company understands that its progress is meaningful when it is shared with society, SJVN's vision is to make people and the environment partners in their growth and its objective is to meet its social and environmental commitments. SJVN has spent around INR 158.67 lakhs in FY 2021-22 on activities promoting gender equality, empowering women, setting up homes and hostels for women and orphans, setting up old age homes, day care centres etc. It has also spent INR 34.39 lakhs in providing training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports.



*Alignment with relevant UN SDGs*

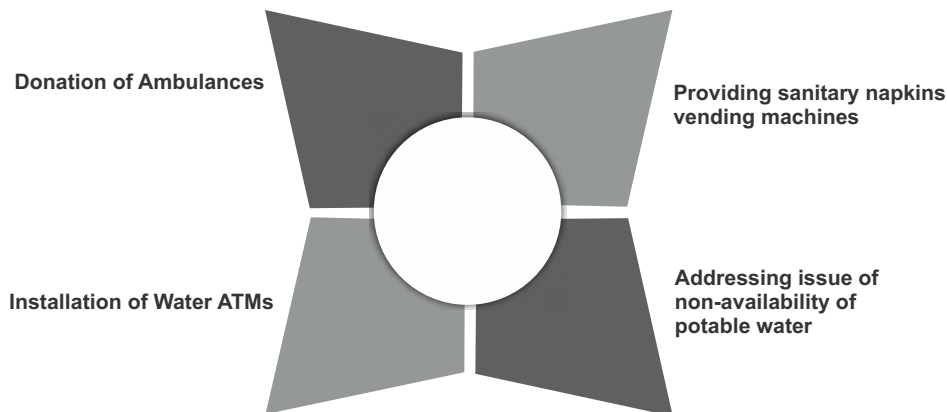
SJVN has placed high priority on enhancing people's lives and encouraging employee participation, as well as promoting inclusivity, diversity and fairness in the workplace. The Company has also ensured that its website is accessible in different languages including Hindi and English.

**4.2.1 SATLUJ SANJEEVANI SEWA (SSS)**

In 2012, Satluj Sanjeevani Sewa was introduced to celebrate the Silver Jubilee of SJVN. Poor and vulnerable rural communities from the States of Himachal Pradesh, Uttarakhand, Bihar and Maharashtra have received free medical care at their doorsteps owing to SJVN's mobile medical units (MMUs).

Since the commencement, more than 10.5 lakh treatments have been given through these MMUs, and in the years 2021-22 alone, around 1.50 lakh treatments were given. SJVN is providing MMUs through different NGOs in various districts of India. Both the Rampur Hydro Power Project hospital in Bayal and the Nathpa Jhakri Hydro Power Project hospital in Jhakri have physiotherapy clinics for the local population.

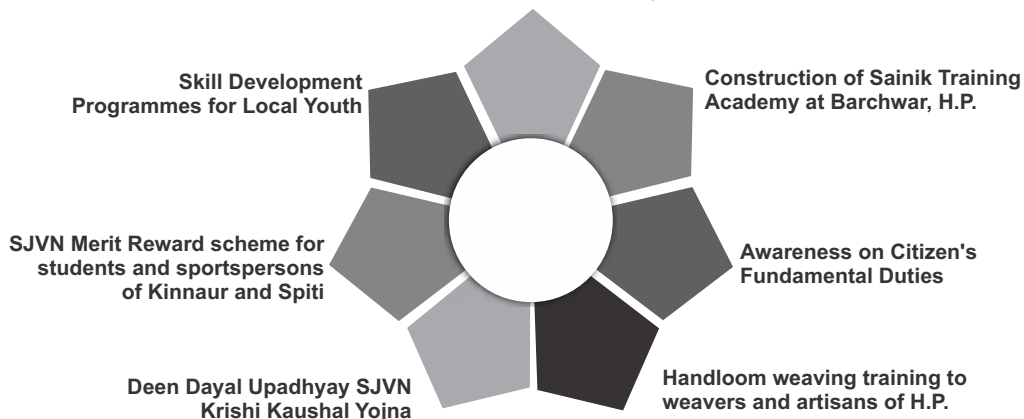
**4.2.2 FACILITIES FOR HEALTH AND SANITATION**



SJVN's CSR initiatives for healthcare programmes and Swachhata activities have tackled the problem of people not having access to safe & drinkable water due to the contamination of underground water caused by high levels of arsenic metal in the soil of Buxar. At 20 Government schools, sanitary napkin vending machines and incinerators are now being installed by the project's administrators. Six additional ambulances that SJVN gave as MMUs are now renovated and equipped with diagnostic services (diagnostic kits), consumables (medicines, etc.), and other items. The project authorities are also in the midst of installing water ATMs in the schools.

**4.2.3 EDUCATION AND SKILL DEVELOPMENT**

**SJVN Silver Jubilee Merit Scholarship Scheme**





**Deen Dayal Upadhyay SJVN Krishi Kaushal Yojna**

SJVN has also adopted a novel idea to help the Indian government’s goal of doubling farmer income by 2022. SJVN has partnered with Dr. Y. S. Parmar University of Horticulture and Floriculture, Nauni, and CSK University Palampur, to support this programme by providing farmers with skill training in the use of innovative agricultural technologies and cutting-edge, scientific production techniques.

**SJVN Merit Reward Scheme for the students and sportsperson of Kinnaur and Spiti**

For students and athletes in District Kinnaur and Spiti Sub Division HP in the FY 2020–21, SJVN Foundation has introduced the "SJVN Merit Reward Scheme." In accordance with this programme, outstanding students and athletes get one-time rewards, as well as financial support for the Children’s Science Congress.

**Skill Development Programs for Local Youth**

A Tripartite Memorandum of Understanding (MoU) has been signed by the SJVN Foundation, National Skill Development Corporation (NSDC), and National Skill Development Fund for the purpose of implementing short-term skill development programmes for local children.

**Silver Jubilee Merit Scholarship Scheme**

It was launched by the SJVN Foundation in the FY 2012–13 to commemorate Company’s Silver Jubilee and encourage students to continue their education in the fields of their choice. The programme is available to all deserving students in the states of Himachal Pradesh, Uttarakhand, Bihar, Maharashtra and Gujarat who earned at least 60% of the possible points in their 12th-grade exams administered by the State Education Board, CBSE, or ICSE or an equal grade. Students from BPL families and candidates with disabilities are given preference. Thousands of students have benefited from this programme since its beginning. Due to COVID-19, the programme was suspended for new students in FY 2020–21; however, applications for both FY 2020–21 and FY 2021–22 were accepted in FY 2021–22.

**Construction of Sainik Training Academy**

SJVN has decided to donate money towards the building of a hostel for the Sainik Training Academy in Barchwar, Tehsil Sarkaghat, and District Mandi. It is proposed to build the Sainik Training Academy at an estimated cost of 310.91 lakhs. The academy will assist and encourage young people to join the Defence and Central Armed Police forces by helping them develop the necessary standards of intelligence, physical fitness, and moral character.

**Awareness on Citizen’s Fundamental Duties**

All Central PSUs were under orders from the Department of Justice to plan events and activities to raise awareness of citizens’ fundamental rights. As a result, SJVN created a calendar of various awareness initiatives and put them into action at all project locations. At all the projects, significant occasions like Constitution Day and Republic Day were planned. Along with this, leaflets, street plays, school quizzes, etc. were used to inform local communities about the Indian Constitution and its many portions.

**Handloom weaving training**

The Central Public Sector Enterprises (CPSE Conclave) set a goal of promoting 50 start-ups by 2022, and the SJVN Foundation has taken on the task of providing skills trainings in handloom weaving through the Swablamban and Kinnaur Heritage Foundation and HP State Handicraft & Handloom Corporation Ltd, Shimla.

**4.2.4 INITIATIVES DURING COVID**

SJVN showed foresight in implementing preventative steps to fight Pandemic COVID-19 at its offices and the places around them without interfering with its regular operations of producing electricity for the country. Even before the Gol issued its recommendation, it started continuously sanitising its entire office complex and issued a circular for its staff to be aware of the novel disease. SJVN voluntarily donated INR 2500 lakhs from their yearly CSR budget and INR 32 Lakhs as employee contribution to PM Care Fund to support the work of the federal and state governments. It also provided the Uttarakhand State Disaster Management Authority with financial support in the amount of INR 50 lakh. To better equip and support medical staff in providing unwavering services to patients through protective equipment, SJVN provided medical infrastructure assistance to district hospitals in its project areas. In all project locations in Himachal Pradesh, Uttarakhand, and Bihar, local residents in project-affected areas received distributions of 59,000+ masks, 1000+ gloves, and 1400+ litres of hand sanitizer.

**4.3 COMMITMENT TOWARDS ETHICS AND GOVERNANCE**

In order to remain on top of regulatory obligations, assure its business continuity, and ultimately serve its stakeholders, SJVN believes it is important to develop a robust governance framework and make sure to embrace best governance practises. SJVN has a total Corporate Social Responsibility expenditure of INR 5166.92 Lakhs in FY 2021-22. A diversified and skilled leadership team that provides strategic oversight with complete transparency and accountability is the driving force behind the Company’s ardent promotion of ethical business practises among its workforce, business partners, and customers.



Alignment with UN SDGs

**POLICIES & CODES IN PLACE**

Provisions on ethics, anti-bribery and anti-corruption (ABAC) are embedded in the Code of Ethics and Whistle Blower Policy. In house training programme are conducted in various units of SJVN on preventive vigilance from time to time. Training on functional and behavioural aspects are also conducted in large numbers. The Company has a Policy Statement on Nomination, Remuneration, Succession and Diversity of Board. The Code of Conduct for the Board of Directors and Senior Management has mentioned the Company’s commitment towards a workplace free of discrimination and harassment. SJVN has a well-defined Integrity Pact to remove corruption and ensure transparency.







The Company periodically conducts training sessions for employees across the organization to build awareness on the Company's POSH (Prevention of Sexual Harassment) Policy, which is formulated in accordance with the provisions of the POSH Act, 2013. The Company is in compliance to required provisions under the POSH Act, 2013.

**FAMILIARIZATION PROGRAMMES**

SJVN has organised Familiarization Programmes for its independent Directors and the information for the same has been displayed on the website. The programmes were conducted by Department of Public Enterprise (DPE) in association with the Institute of Company Secretaries of India (ICSI) on March 15, 2022 and March 22, 2022. The main objective of the same is to sensitize Independent Directors about their roles and responsibilities, which is also a statutory requirement under Listing Regulations of the Securities & Exchange Board of India.

**TRAININGS & VIGILANCE PROGRAMMES**

SJVN is vigilant and takes efforts to train its employees regarding various aspects of ESG including Anti-Bribery and Anti-Corruption laws. It has conducted 12 in-house training programs for a duration of 2 days in different units on Preventive Vigilance.

The details of various other trainings imparted in FY 2021-22 is as below:

- Total employees trained- 1213
- Nominations for Functional & Behavioural Trainings- 2471
- In house programs- 54 (nos.)
- Online – 57 (nos.)
- External- 46 (nos.)
- Training Cost- INR 898 lakhs

**DISPLAY OF POLICIES AND CODES ON THE WEBSITE**

The Company has developed and posted the necessary policies & codes on its website in conformity with all statutory governance standards set forth by the Ministry of Corporate Affairs & the Securities & Exchange Board of India. These documents are statutorily required to be published.

**COMPLIANCE WITH DPE GUIDELINES ON CORPORATE GOVERNANCE**

SJVN has been adhering to the corporate governance requirements set forth by the Listing Regulations of the Securities & Exchange Board of India and the Department of Public Enterprises, Government of India, as a listed company. According to the "Corporate Governance Grading System" set forth by DPE, SJVN has consistently received an "Excellent" rating for conformity with the "DPE Guidelines on Corporate Governance."

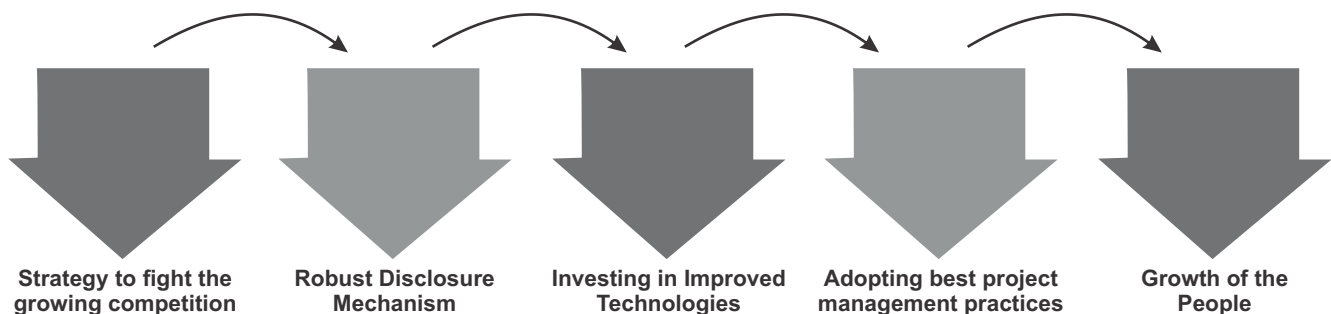
**4. QUALITY CENTRICITY AT SJVN**

SJVN joined the august club of ISO 9001: 2008 certified organizations in Power Sector in the country, w.e.f. February 02, 2005. The Company has achieved the distinction of having been awarded the prestigious ISO 9001:2008 certification from DET NORSE VERITAS (DNV) now renamed as M/s DNV GL, one of the world's most reputed certification bodies, in recognition of its noteworthy efforts for well-maintained Quality Management Systems. Thereafter corporate office of SJVN got certified with ISO 9001:2015 certification from M/s DNV GL w.e.f. February 11, 2017 and recertified again till 11th Feb., 2023

SJVN has also been declared an ISO 14001:2004 company on July 28, 2006, for environmental management systems of its Nathpa Jhakri Hydro Power Station, which is one of the most environment friendly hydro power projects in the world. Thereafter Nathpa Jhakri Hydro Power Station has obtained ISO 140001:2015 along with ISO 9001:2015 & 18001:2007 certifications. Rampur Hydro Power Station (412MW) has also obtained ISO 9001:2015, ISO 140001:2015 & 18001:2007. Dhaulasidh Hydro Electric Project, SJVN Thermal Project and Naitwar Mori Hydro Electric Project has obtained ISO 9001:2015 certification.

**5. WAY FORWARD**

SJVN believes that, in light of its progress to date, it still has a long way to go on its ESG Journey. The Company would be taking focussed measures in moving ahead with its ESG Footprints.



**Strategy to fight growing Competition:** Disinvestment, privatisation, FDIC, technological advancements, etc. will present a fresh set of challenges from all sides. The Company must compete and engage with some of the strongest rivals in all areas of its industry on a global scale rather than just within national borders. To be prepared to fight battle of competition, the Company must work to Re-Invent, Redesign, Re-Adapt, and Re-Orient SJVN to the constantly changing business environment.

**Robust Disclosure Mechanism:** The Company plans to keep a strong disclosure process in place that offers comprehensive corporate reporting on sustainable business practices in accordance with international standards.

**Investing in Improved Technologies:** To become more sustainable in nature, SJVN has decided to adopt better technologies to reduce pollution and harm to the environment.





**Adopting best Project Management Practices:** SJVN has chosen to implement projects using the most up-to-date, widely acknowledged project management techniques while also enabling its engineers to get their project management certifications through further training.

**Growth of the People:** SJVN committed that investing in people would help it expand and sustain its business. Throughout the company's enormous expansion, it will continue to put a strong emphasis on the welfare and fair treatment of its employees and people involved in its value chain partners.

SJVN going forward would align with ESG Principles through an ESG Charter consisting of:

1. Vision of the Company
2. ESG Approach
3. ESG Objective
4. ESG & KPIs
5. ESG Governance Structure
6. ESG Governance Structure Responsibilities
7. ESG Action Plan

**Indicative List of KPIs as a part of our ESG Journey**

S.No.	PARTICULARS	S.No.	PARTICULARS
1.	DE&I policy and training program	13.	Monetary and non-monetary penalties
2.	ABAC policy, implementation and training	14.	Stakeholder interest
3.	Equal opportunity (Policy as per the Rights of Persons with Disabilities Act, 2016)	15.	Disclosures & transparency
4.	Human Rights policy, implementation and training	16.	GHG Emissions
5.	SDGs Alignment (Review of entity's commitment to achieving SDG 2030)	17.	BCM policy, implementation and training
6.	EIA and SIA	18.	Procurement policy, implementation and training
7.	OHS (policy, implementation and training)	19.	Data privacy and cyber security policy, implementation and reporting
8.	POSH policy, implementation and training	20.	Consumer responsibilities
9.	Global sustainability practices	21.	Conflict of Interest
10.	Benchmarking ethical business practices adopted by the company	22.	Protection & restoration of the environment
11.	CSR policy, implementation and reporting	23.	Waste Management
12.	Unfair and restrictive trade practices policy, implementation and training	24.	Workforce Diversity

**ABBREVIATIONS**

ABAC	Anti-Bribery and Anti-Corruption	ATM	Automated Teller Machine
BCM	Business Continuity Model	BPL	Below Poverty Line
CPSE	Central Public Sector Enterprises	CSR	Corporate Social Responsibility
DE&I	Diversity, Equality and Inclusion	DNV	Det Norske Veritas
DPE	Department of Public Enterprise	EIA	Environmental Impact Assessment
ESG	Environmental Social & Governance	GHGs	Greenhouse Gas
GI Pole	Galvanized Iron Pole	ICSI	Institute of Company Secretaries of India
KMP	Key Managerial Personnel	KPI	Key Performance Indicator
MMUs	Mobile Medical Units	MoEF & CC	Ministry of Environment, Forest and Climate Change
MoU	Memorandum of Understanding	MW	Mega Watt
NSDC	National Skill Development Corporation	OHS	Occupational Health & Safety
POSH	Prevention of Sexual Harassment at Workplace	PSP	Pumped Storage Projects
PSU	Public Sector Undertaking	SDG	Sustainable Development Goals
SIA	Social Impact Assessment	SSS	Satluj Sanjeevani Sewa

For and on behalf of Board of Directors

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

Date: 12<sup>th</sup> August, 2022  
Place: Shimla



**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 and 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 31<sup>st</sup> March, 2022 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. Sushil Sharma	08776440	01-08-2020
6	Sh. Madhav Rajendran Raghuraj	07772370	13-09-2021
7	Sh. Ram Dass Dhiman	01687377	22-06-2021
8	Smt. Udeeta Tyagi	05101501	08-11-2021
9	Sh. Saroj Ranjan Sinha	01478184	08-11-2021
10	Sh. Danveer singh Yadav	09391688	09-11-2021

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 LLP**  
 Firm Regn. No. L2021DE011600  
 Company Secretaries

**CS D.P. Gupta**  
 M N FCS 2411  
 C P No. 1509

ICSI UDIN No. F002411D000563950  
 ICSI PR No. 1194/2021

**Date: 4<sup>th</sup> July 2022**  
**Place: New Delhi**





**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2022**

[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**

I 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). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31<sup>st</sup> March, 2022 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022, 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 Bye-laws 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) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable as the Company has not issued any securities);**
  - (iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase Scheme) Guidelines, 1999; **(Not Applicable as the Company has not issued any Employee Stock Option securities during the financial year);**
  - (v) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (vi) 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;
  - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable as the Company has not de-listed its securities during the Financial Year);** and
  - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable as the Company has not bought back any security during the Financial Year);**
- (vi) Other laws applicable specifically to the Company viz.
  - a. The Electricity Act, 2003;
  - b. National Tariff Policy.

**I further report that** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis - Compliances/processes/systems under other specific applicable Laws (as applicable to the industry) to the Company are being verified on the basis of certificates submitted to the Board of Directors of the Company.

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

- (a) Secretarial Standards viz. SS-1 & SS-2 issued by The Institute of Company Secretaries of India;
- (b) The Listing Agreements read with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 entered into by the Company with the Stock Exchanges;
- (c) 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 the following observations:

- (i) The Composition of the Board of Directors of the Company is not duly constituted with optimum combination of Executive and Non-Executive Independent Directors of the company as per the provisions of Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE Guidelines on Corporate Governance.





**I further report that** the Changes in the composition of Board that took place during the period under review were carried out in compliance with the provision of the Act.

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

All decisions at Board Meetings are carried out unanimously as there is no dissenting member's note forming part of the Minutes of meetings of Board.

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

**I further report that** during the period under review, the Company has taken the following decisions which have major bearing on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

- The Company has issued Commercial papers vide board meeting dated 26<sup>th</sup> June, 2021 amounting to Rs. 900 crores for a period of 90 days which were redeemed on due date in accordance with Operational guidelines on Commercial paper prescribed by fixed income money market and derivatives association of India issued by Reserve bank of India.
- The Company has allotted unsecured, rated, Listed, Redeemable Non-Convertible Debentures (NCDs) on Private placement basis on 29<sup>th</sup> September, 2021 with issue size of Rs. 1,000 crores at a coupon rate of 6.10% p.a. with a tenure of 5 years which were listed on the WDM segment of BSE.
- The Company has raised funds amounting to USD 500 Million via External Commercial Borrowing after taking the approval from the Board on 21<sup>st</sup> September, 2021 having a tenure of 5 years.

For Santosh Kumar Pradhan  
(Company Secretaries)

Santosh Kumar Pradhan  
(Proprietor)

M. No. FCS-6973

C.P. No. 7647

P.R.C. No. 1388/2021

UDIN: F006973D000562211

Date: 04.07.2022

Place: Ghaziabad

**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 this report.

"ANNEXURE A"

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

To

The Members,

SJVN Limited,

(CIN: L40101HP1988GOI008409)

SJVN CORPORATE OFFICE COMPLEX

SHANAN, SHIMLA,

HIMACHAL PRADESH - 171006

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

- Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on our audit.
- I 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. I believe that the processes and practices, were followed provide a reasonable basis for our opinion.
- I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- 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.
- 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 Santosh Kumar Pradhan  
(Company Secretaries)

Santosh Kumar Pradhan  
(Proprietor)

M. No. FCS-6973

C.P. No. 7647

P.R.C. No. 1388/2021

UDIN: F006973D000562211

Date: 04.07.2022

Place: Ghaziabad





Annexure-X

### Board's Reply to Observation of Secretarial Auditor

Sr. No.	Observation of Secretarial Auditor	Board's Reply
1.	The Composition of the Board of Directors of the company is not duly constituted with optimum combination of Executive and Non-Executive Independent Directors of the company as per the provisions of Regulation 17 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulation, 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.

For and on behalf of Board of Directors

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

Date: 12<sup>th</sup> August, 2022  
Place: Shimla

Annexure-XVII

### 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

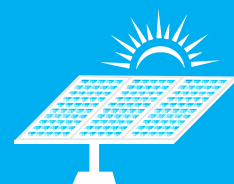
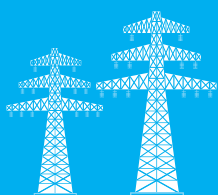
For and on behalf of Board of Directors

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

Date: 12<sup>th</sup> August, 2022  
Place: Shimla



# STANDALONE FINANCIAL STATEMENTS









REVISED INDEPENDENT AUDITOR'S REPORT

Annexure-XI

**To The Members of SJVN Limited**  
**Report on the Audit of the Standalone Financial Statements**  
 This report is in supersession to our earlier Report dated May 25, 2022. The report is revised w.r.t. clerical / non-material errors, based on audit observations raised by C&AG Audit during the course of supplementary Audit. There is no change in opinion as given in our earlier report dated May 25, 2022.

**Opinion**

We have audited the accompanying standalone financial statements of SJVN Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, 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 the significant accounting policies and other explanatory information (hereinafter referred to as "the 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 Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India and Indian Accounting Standards prescribed under section 133 of the Act read with companies (Indian Accounting Standard) Rules 2015, as amended, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2022 and its profit (financial performance including Other Comprehensive Income), Change in Equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing 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 (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Emphasis of Matter:**

We draw attention to the following matters:

- a. Note No. 2.32 and 2.53 (V) to the standalone financial statements in respect of billing and accounting of sales on the basis of approved tariff subject to true up by CERC.
- b. Note No. 2.64 to the standalone financial statements which describes the assessment of 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.
- d. Note No. 2.2 (a) with respect to the Devasari Hydro Electric Project which has been put on hold as per directions of Ministry of Power, GOI dated July 6, 2021.

**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.

S. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	<p><b>Contingent Liabilities and provisions:</b></p> <p>There are number of litigations pending before various forums 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 judgement 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. 1.18)</p>	<p>We have obtained an understanding of the company'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"> <li>- understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases;</li> <li>- discussed with the management any material developments and latest status of legal matters;</li> <li>- examined management's judgements and assessments whether provisions are required;</li> <li>- considered the management assessments of those matters that are not disclosed as the probability of material outflow is considered to be remote;</li> <li>- reviewed the adequacy and completeness of disclosures;</li> </ul> <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><b>Property, Plant &amp; Equipment:</b></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 capitalize 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</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. 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</p>





S. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
	Statements, read with the Significant Accounting Policy No. 1.3)	assets as per the technical assessment of the management. 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.
3	<p><b>Capital work-in-progress (CWIP):</b> 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 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. (Refer Note No. 2.2 to the Standalone Financial Statements, read with the Significant Accounting Policy No. 1.4)</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. when it is ready for the intended use.</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><b>Deferred Tax Asset relating to MAT Credit Entitlement:</b> 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. We identified this as a key audit matter because 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 the provisions of the Income Tax Act, 1961. (Refer Note 2.42)</p>	<p>We have obtained an understanding for recognition of deferred tax asset relating to MAT credit entitlement. We have reviewed the estimate of management regarding future taxable profits and reasonableness of the considerations /assumptions used for the same. Based on the above procedures 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 Management Discussion and Analysis, Board’s Report including Annexure to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the standalone financial statements and our auditor’s report thereon.

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 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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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.

**Responsibility 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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with 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 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

**Auditor’s Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material





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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and

other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(5) of the Act, for the additional directions under the Companies Act' 2013, we have annexed Annexure "B" to this report for the additional direction under section 143(5) of the Companies Act' 2013 as issued by the Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as 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 relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.
  - e) In view of exemptions given vide Notification No. G.S.R. 463(E) dated 5th June 2015 issued by 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, kindly refer to our separate report in Annexure "C"
  - g) As per Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, the provisions of Section 197 of the Companies Act, 2013 is not applicable to the Government Companies. Accordingly, reporting in accordance with requirements 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, as amended in our opinion and to the best of our information and according to the explanations given to us:







- i. The company has disclosed the impact of pending litigations on its financial position in its 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.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.  
  
(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the above representations given by the management contain any material mis-statement.
- v. The dividend declared or paid during the year by the company is in compliance of section 123 of the Act.

**For APT & Co LLP**  
**Chartered Accountants**  
**FRN: 014621C/N500088**

**(Avinash Gupta)**  
**Partner**  
**Membership No 513349**  
**UDIN: 22513349ANPVDJ4491**

**Place: New Delhi**  
**Date: 26-07-2022**

### Annexure-A to the Independent 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 March 31, 2022)

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.  
 (B) The Company has maintained proper records showing full particulars of Intangible Assets.  
 (b) As per information and explanation provided to us and on the basis of our examination of the records of the Company, the company has a regular program of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.  
 (c) As per information and explanation provided to us and on the basis of our examination of the records of the Company, the title deeds of Immovable properties (other than immovable properties where the company is the lessee and the lease agreement are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the company except the followings:

Description of Property	Gross Carrying Value as at 31.03.2022 (Rs. in Lacs)	Held in the name of	Whether promoter, director or their relative or employee	Period Held since which date	Reason for not being held in name of company
Building-Freehold	5	HPSEB Limited	-	01.08.1991	Transferor has not executed the conveyance deed.

- d) As per information and explanation provided to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets or both during the year.
- e) As per information and explanation provided to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.







- ii. a) As per information and explanation provided to us and on the basis of our examination of the records of the Company, the physical verification of inventory is carried out once in a year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. The discrepancies noticed on physical verification of Inventory have been properly dealt with in the books of accounts.
- b) According to the information and explanation given to us and on the basis of our examination of the records of the company, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted loans to one company during the year, details of the loan is stated in sub-clause (a) below. The Company has not granted any loans, secured or unsecured, to firms, limited liability partnerships or any other parties during the year.
- (a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans to subsidiaries as below :

Particulars	Amount (Rs. in Lacs)
Aggregate Amount during the year	2500
Balance outstanding as at balance sheet date	2536 (Including accrued Interest)

- B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted loans to a party other than subsidiaries.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdues of existing loans given to the same party.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans either repayable on demand or without specifying any terms or period of repayment.
- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.

- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable
- 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) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Name of Statute	Nature of Dues	Amount (Rs. in Lacs)	Period	Forum where Dispute is pending
Income Tax Act	Demand u/s 156	997	F.Y. 2017-18	CIT (A)

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in loans or other borrowings or payment of interest thereon to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has applied the term loans for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds have been raised on short-term basis by the Company which have been utilized for long term purposes.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.





- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x. a) According to information and explanation given to us the company has not raised money by way of initial public offer or further public offer (including debt instrument). Accordingly, clause 3(x)(a) of the Order is not applicable.
- b) Based on Audit procedure performed and based on information and explanation given by the management company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. a) Based on Audit procedure performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the company or no fraud on the company by its officers and employees has been noticed or reported during the course of audit.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provision of clause 3(xii) of the order is not applicable to the Company.
- xiii. Based on Audit procedure performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, transaction with related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to standalone financial statements, as required by the applicable Indian Accounting Standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For APT & Co LLP**  
**Chartered Accountants**  
**FRN: 014621C/N500088**

**(Avinash Gupta)**  
**Partner**

**Membership No 513349**

**Place: New Delhi**  
**Date: 26-07-2022**





**COMPLIANCE CERTIFICATE**

We, APT & Co LLP, Chartered Accountants have conducted the audit of accounts of "SJVN Limited" for the year ended 31st March 2022 in accordance with the directions / sub-directions issued by C & AG 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 APT & Co LLP  
Chartered Accountants  
FRN: 014621C/N500088**

**CA Avinash Gupta  
M. No.513349  
UDIN: 22513349ANPVDJ4491**

**Date: 26.07.2022  
Place: New Delhi**

**Annexure – “B” to the Independent 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 March 31, 2022)

S.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. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	According to information and explanations given to us and based on our audit, there is no case of restructuring of an existing loan or cases of waiver/write off of debts / loans / interest etc. made by lender to the Company.	NIL
3	Whether funds ( grants / subsidy etc. ) received/receivable for specific schemes from central/State Government or its agencies were properly accounted for/utilized as per its 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

**For APT & Co LLP  
Chartered Accountants  
FRN: 014621C/N500088**

**CA Avinash Gupta  
M. No. 513349  
UDIN: 22513349ANPVDJ4491**

**Date: 26.07.2022  
Place: New Delhi**





## Annexure “C” to the Independent Auditors’ Report on the Standalone Financial Statements of SJVN Limited for the year ended March 31, 2022

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”) (Referred to in paragraph 3(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

#### Opinion

We have audited the internal financial controls over financial reporting of **SJVN Limited** (“the Company”) as of March 31, 2022 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, 2022, 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) It has been 3 years of implementation of SAP in SJVN. But, still there are few areas where calculations are carried out manually. The details are as under:-

- Calculation of PRP,
- Calculation of Rebate,
- Calculation of Late Payment Surcharge,
- Bank Reconciliation Statement
- Issue of Purchase Order

We believe this should be rooted through SAP in order to increase reliability on the same.

#### Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The company management and the Board of Directors 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 Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, 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 an understanding of internal financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting with reference to standalone 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 detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For APT & Co LLP  
Chartered Accountants  
FRN: 014621C/N500088

CA Avinash Gupta

M. No. 513349

UDIN: Place: 22513349ANPVDJ4491

Date: 26-07-2022  
Place: New Delhi





**Board's reply on Statutory Auditors' Observations on Internal Financial Control-Annexure-C to the Auditors, Reports (Standalone Financial Statements)**

Auditors' Observations	Board's Reply
<p>It has been 3 years of implementation of SAP in SJVN. But, still there are few areas where calculations are carried out manually.</p> <p>The details are as under: -</p> <ul style="list-style-type: none"> <li>• Calculation of PRP,</li> <li>• Calculation of Rebate,</li> <li>• Calculation of Late Payment Surcharge,</li> <li>• Bank Reconciliation Statement,</li> <li>• Issue of Purchase Order</li> </ul> <p>We believe this should be rooted through SAP in order to increase reliability on the same.</p>	<p>The process for Calculation of PRP, Late Payment Surcharge (Hydro Power Stations), Bank Reconciliation Statement and Issue of Purchase Order through SAP has been implemented. Calculation of Rebate and Late Payment Surcharge of Renewal Projects through SAP is in progress and will be implemented during the year.</p>

For and on behalf of Board of Directors



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

Date : 12.08.2022  
Place : Shimla





## 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 2022

The preparation of financial statements of SJVN Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated July 26, 2022 which supersedes their earlier Audit Report, dated May 25, 2022.

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 2022 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

In view of the revision(s) made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditors' 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: 29.07.2022






**BALANCE SHEET AS AT MARCH 31, 2022**


(₹ Lakh)

	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non - current assets</b>			
Property, plant and equipment	2.1	729062	747088
Capital work-in-progress	2.2	222615	120189
Intangible Assets	2.3	2128	2758
Intangible assets under development	2.4	41	489
<b>Financial Assets</b>			
Investments	2.5	492188	346214
Loans	2.6	9684	7958
Other financial assets	2.7	18648	45760
Deferred tax assets (net)	2.8	52971	62272
Other non-current assets	2.9	55996	24926
<b>Total non- current assets</b>		<b>1583333</b>	<b>1357654</b>
<b>Current assets</b>			
Inventories	2.10	6266	5615
<b>Financial assets</b>			
Trade receivables	2.11	57503	52296
Cash and cash equivalents	2.12	1724	4060
Bank balance other than cash and cash equivalents	2.13	280540	90199
Loans	2.14	4713	2087
Other financial assets	2.15	48236	73466
Other current assets	2.16	13267	14810
<b>Total current assets</b>		<b>412249</b>	<b>242533</b>
Assets held-for-sale	2.17	1607	-
Regulatory deferral account debit balance	2.18	80860	86170
<b>TOTAL ASSETS</b>		<b>2078049</b>	<b>1686357</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	2.19	392980	392980
Other Equity	2.20	919881	883204
<b>Total Equity</b>		<b>1312861</b>	<b>1276184</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	2.21	479695	185568
Lease liabilities	2.22	583	917
Other financial liabilities	2.23	1	1
<b>Provisions</b>	2.24	10634	9658
Other non- current liabilities	2.25	72939	75199
<b>Total non-current liabilities</b>		<b>563852</b>	<b>271343</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	2.26	72359	29918
Lease liabilities	2.27	631	880
Trade payables			
Total outstanding dues of micro and small enterprises	2.28	700	642
Total outstanding dues of creditors other than micro and small enterprises	2.28	3016	3591
Other financial liabilities	2.29	69935	46296
Other current liabilities	2.30	5013	7753
Provisions	2.31	49682	49750
<b>Total current liabilities</b>		<b>201336</b>	<b>138830</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2078049</b>	<b>1686357</b>

The accompanying notes from 2.1 to 2.65 form an integral part of the standalone financial statements.


  
**(Soumendra Das)**  
 Company Secretary  
 FCS-4833

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

  
**(Aknileshwar Singh)**  
 Director(Finance) cum CFO  
 DIN:08627576

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

As per our report of even date  
**For APT & Co LLP**  
 Chartered Accountants  
 FRN-014621C/N500088

  
**(Avinash Gupta)**  
 Partner  
 M.No. 513349  
 UDIN: 22513349AJTOSV3876  
 Place: Shimla / New Delhi  
 Date : May 25, 2022



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

(₹ Lakh)

	Note No.	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Income</b>			
Revenue from Operations	2.32	242196	249083
Other Income	2.33	20358	72224
<b>Total Income</b>		<b>262554</b>	<b>321307</b>
<b>Expenses</b>			
Employee Benefits Expense	2.34	28941	32055
Finance Costs	2.35	16134	(285)
Depreciation and Amortization Expense	2.36	40429	39327
Other Expenses	2.37	40380	36882
<b>Total Expenses</b>		<b>125884</b>	<b>107979</b>
<b>Profit/ (Loss) before exceptional items and tax</b>		<b>136670</b>	<b>213328</b>
Exceptional Items	2.38	2326	29344
<b>Profit before net movement in regulatory deferral account balance and tax</b>		<b>134344</b>	<b>183984</b>
Tax Expenses:			
- Current Tax		22909	31627
- Deferred Tax	2.8	9301	16191
<b>Profit before regulatory deferral account balances</b>		<b>102134</b>	<b>136166</b>
Net movement in regulatory deferral account balances (net of tax)	2.39	(4382)	27138
<b>Profit for the year</b>		<b>97752</b>	<b>163304</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss			
-Remeasurement of the net defined benefit liability/asset		(197)	(255)
-Income tax on above item		34	89
<b>Total</b>		<b>(163)</b>	<b>(166)</b>
<b>Total Comprehensive Income for the period</b>		<b>97589</b>	<b>163138</b>
<b>Earnings Per Equity Share (excluding net movement in regulatory deferral account balance)</b>			
Basic and Diluted (₹)		2.60	3.46
<b>Earnings Per Equity Share (including net movement in regulatory deferral account balance)</b>			
Basic and Diluted (₹)		2.49	4.16
Weighted average equity shares used in computing earnings per equity share		3929795175	3929795175

The accompanying notes from 2.1 to 2.65 form an integral part of the standalone financial statements.

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

As per our report of even date  
**For APT & Co LLP**  
Chartered Accountants  
FRN-014621C/N500088

(Avinash Gupta)  
Partner  
M.No. 513349  
UDIN: 22513349AJTOSV3876  
Place: Shimla / New Delhi  
Date : May 25, 2022







## STATEMENT OF CASH FLOWS

### For the Year Ended March 31, 2022

(₹ Lakh)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Cash flow from operating activities</b>		
Profit before tax	134344	183984
Add: Net movement in regulatory deferral account balances (net of tax)	(4382)	27138
Add: Tax on net movement in regulatory deferral account balances	(928)	5745
<b>Profit before tax including movement in regulatory deferral account balances</b>	<b>129034</b>	<b>216867</b>
<b>Adjustment for:</b>		
Depreciation and amortization	40429	39327
Interest on term deposits	(9612)	(11348)
Dividend from Subsidiary / Associate / Joint Venture	(139)	(265)
Finance cost	16134	(285)
Loss on disposal/ write off of fixed assets	362	2279
Profit on sale of fixed assets	(34)	(1)
	47140	29707
<b>Adjustment for assets and liabilities</b>		
Inventories	(651)	(666)
Trade receivable and unbilled revenue	(4977)	11696
Loans, other financial assets and other assets	25590	(21178)
Trade payable	(517)	1006
Other financial liabilities and other liabilities	(566)	(3252)
Regulatory deferral account debit balance	5310	(32883)
Provisions	862	29425
	25051	(15852)
<b>Cash generated from operating activities</b>	<b>201225</b>	<b>230722</b>
Income tax paid	(36182)	(29668)
<b>Net cash generated by operating activities</b>	<b>165043</b>	<b>201054</b>
<b>Cash flow from investing activities:</b>		
Net expenditure on Property, Plant & Equipment and CWIP including advances for capital works	(128277)	(55509)
Term deposits with bank (having maturity more than three months)	(204346)	102320
Interest on term deposits	5898	15691
Dividend from Subsidiary / Associate / Joint Venture	139	265
Investment in subsidiaries and joint ventures	(140974)	(148740)
Share application money paid to subsidiaries/ joint ventures	41650	(36650)
Investment in other companies	-	(175)
<b>Net cash used in investing activities</b>	<b>(425910)</b>	<b>(122798)</b>
<b>Cash flow from financing activities:</b>		
Repayment of borrowings	(31578)	(23874)
Proceed from borrowings	333841	18301
Payment of lease liabilities	(583)	(424)
Interest and finance charges	(7705)	(7871)
Dividend Paid	(61054)	(90369)
<b>Cash used in financing activities</b>	<b>232921</b>	<b>(104237)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(27946)</b>	<b>(25981)</b>
<b>Opening balance of cash &amp; cash equivalents (refer note 1 and 2 below)</b>	<b>(1158)</b>	<b>24823</b>
<b>Closing balance of cash &amp; cash equivalents (refer note 1 and 2 below)</b>	<b>(29104)</b>	<b>(1158)</b>
<b>Restricted cash balance</b>		
Earmarked Balance (Unpaid Dividend)	140	282
Margin Money for BG/ Letter of Credit and Pledged deposits	66968	4896
<b>Total</b>	<b>67108</b>	<b>5178</b>

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

- Cash and Cash equivalents consist of Cash in hand, cheques/drafts in hand, Bank Balances including Short Term Deposits having original maturity upto three months and bank overdraft.
- Reconciliation of Cash and Cash Equivalents:

(₹ Lakh)

	As at March 31, 2022	As at March 31, 2021
Cash and Cash equivalents as per note 2.12	1724	4060
Bank overdraft as per note 2.26	(30828)	(5218)
Cash & Cash Equivalents as per statement of cash flows	(29104)	(1158)

**3. Net Debt Reconciliation**

(₹ Lakh)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Cash & Cash Equivalents	(29104)	(1158)
Borrowings including accrued interest	(524785)	(210622)
<b>Net Debt</b>	<b>(553889)</b>	<b>(211780)</b>

(₹ Lakh)

Particulars	Cash & Cash Equivalents	Borrowings (Non-current/ Current) Including Interest Accrued	Total
Net Debt as at April 1, 2021	(1158)	(210622)	(211780)
Cash Flows	(27946)	(302263)	(330209)
Foreign Exchange adjustments	-	(8696)	(8696)
Interest Expenses	-	(2946)	(2946)
Interest Paid	-	(258)	(258)
<b>Net Debt as at March 31, 2022</b>	<b>(29104)</b>	<b>(524785)</b>	<b>(553889)</b>

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:03495554As per our report of even date  
**For APT & Co LLP**  
Chartered Accountants  
FRN-014621C/N500088**(Avinash Gupta)**  
Partner  
M.No. 513349  
UDIN: 22513349AJTOSV3876  
**Place:** Shimla / New Delhi  
**Date :** May 25, 2022



**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022**

**A. Equity Share Capital**

**For the Year Ended March 31, 2022**

Particulars	Amount (₹ Lakh)
Opening Balance as at April 1, 2021	392980
Equity Shares issued during the year	-
Equity Shares bought back during the year	-
Closing Balance as at March 31, 2022	392980

**For the Year Ended March 31, 2021**

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

**B. Other Equity**

**For the Year Ended March 31, 2022**

(₹ Lakh)

Particulars	Reserves and Surplus			Total Other Equity
	Capital Redemption Reserve	Securities Premium	Retained Earnings	
Opening Balance as at April 1, 2021	20683	-	862521	883204
Profit for the Period			97752	97752
Other Comprehensive Income			(163)	(163)
<b>Total Comprehensive Income</b>			<b>97589</b>	<b>97589</b>
Dividends				
Final Dividend Paid for 2020-21			(15719)	(15719)
Interim Dividend Paid for 2021-22			(45193)	(45193)
<b>Closing Balance as at March 31, 2022</b>	<b>20683</b>	<b>-</b>	<b>899198</b>	<b>919881</b>

**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)
<b>Total Comprehensive Income</b>			<b>163138</b>	<b>163138</b>
Dividends				
Final Dividend Paid for 2019-20			(19649)	(19649)
Interim Dividend Paid for 2020-21			(70736)	(70736)
<b>Closing Balance as at March 31, 2021</b>	<b>20683</b>	<b>-</b>	<b>862521</b>	<b>883204</b>

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

As per our report of even date  
**For APT & Co LLP**  
Chartered Accountants  
FRN-014621C/N500088

**(Avinash Gupta)**  
Partner  
M.No. 513349  
UDIN: 22513349AJTOSV3876  
Place: Shimla / New Delhi  
Date : May 25, 2022



**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 May 25, 2022.

**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 Non-Current Assets Held for Sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable.

Assets and disposal group identified/ approved for sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortized.

#### 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 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.

**1.10 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 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.

**1.12 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 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:**

- i) 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.
- ii) 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:**

- i) 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.
- ii) 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 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.

**1.14 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.







**1.15 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 1.9 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 1.17 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.

**1.16 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.

**1.17 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.

**1.18 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.

**1.19 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.

**1.20 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.

**1.21 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. 1.21(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. 1.21(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.

**1.22 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.

**1.23 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.

**1.24 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 company. Other operations viz., Consultancy works etc. do not form a reportable segment as per the Ind AS -108 - 'Operating Segments'.
- c) The company is having a single geographical segment as all its Power Stations are located within the Country.

**1.25 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"

**1.26 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.

**1.27 Earnings per share**

- a) Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.
- b) Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.
- c) Basic and diluted earnings per equity share are also presented using the earnings amounts excluding the movements in regulatory deferral account balances.

**1.28 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:**

- 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.

**1.29 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, 2022

Sl.No.	Particulars	Gross Block			Depreciation			Net Block		
		As at April 1, 2021	Additions during the year	Deductions/ Adjustments	As at March 31, 2022	As at April 1, 2021	For the year	Deduction	As at March 31, 2022	As at March 31, 2022
1	<b>Land</b>	26874	1981	670	28185	-	-	-	28185	-
	Freehold (including development expenses) (refer footnote (a) below)	1948	1010	23	2935	-	24	254	2681	-
2	<b>Buildings</b>									
	Freehold (refer footnote (b) & (c) below)	134902	2941	1296	136547	25130	4488	29565	106982	106982
	Right of use	18779	130	87	18822	2237	977	3147	15675	15675
3	<b>Roads and Bridges</b>	6189	857	-	7046	1311	210	1521	5525	5525
4	<b>Plant and Machinery</b>	2478	251	4	2725	604	111	713	2012	2012
5	<b>Generating Plant and Machinery (refer footnote (d) below)</b>	298576	1966	130	300412	87340	13179	100495	199917	199917
6	<b>Hydraulic Works (Dams, Tunnel, etc.)</b>	530659	1550	-	532209	165334	18981	184315	347894	347894
7	<b>Vehicles</b>									
	Owned	670	179	18	831	234	53	273	558	558
	Right of use	2420	288	334	2374	1449	490	1607	767	767
8	<b>Furniture, Fixture and Equipments</b>	2399	94	20	2473	629	145	765	1708	1708
9	<b>Electrical Works</b>	2913	212	-	3125	850	128	978	2147	2147
10	<b>Electrical Equipments</b>	624	178	40	762	163	4	167	595	595
11	<b>Office Equipments</b>	3877	297	100	4074	1153	250	1396	2678	2678
12	<b>Data processing Equipments</b>	1347	232	39	1540	933	256	1154	386	386
13	<b>Right of use- Solar Park (refer footnote (f) below)</b>	-	11352	-	11352	-	-	-	11352	11352
	<b>Total</b>	<b>1034655</b>	<b>23518</b>	<b>2761</b>	<b>1055412</b>	<b>287567</b>	<b>39350</b>	<b>567</b>	<b>326350</b>	<b>729062</b>

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	<b>Land</b>	18043	8831	-	26874	-	-	-	26874	-
	Freehold (including development expenses) (refer footnote (a) below)	1701	247	-	1948	136	64	200	1748	-
2	<b>Buildings</b>									
	Freehold (refer footnote (b) & (c) below)	118202	16835	135	134902	21047	4083	25130	109772	109772
	Right of use	18122	706	49	18779	1319	967	2237	16542	16542
3	<b>Roads and Bridges</b>	6189	-	-	6189	1125	186	1311	4878	4878
4	<b>Plant and Machinery</b>	2114	371	7	2478	511	96	604	1874	1874
5	<b>Generating Plant and Machinery (refer footnote (d) below)</b>	298956	3206	3586	298576	75522	13145	87340	211236	211236
6	<b>Hydraulic Works (Dams, Tunnel, etc.)</b>	529975	708	24	530659	146241	19100	165334	365325	365325
7	<b>Vehicles</b>									
	Owned	645	47	22	670	194	49	234	436	436
	Right of use	2407	619	606	2420	885	682	1449	971	971
8	<b>Furniture, Fixture and Equipments</b>	2305	94	-	2399	486	143	1770	1770	1770
9	<b>Electrical Works</b>	2877	36	-	2913	731	119	850	2063	2063
10	<b>Electrical Equipments</b>	544	91	11	624	148	26	163	461	461
11	<b>Office Equipments</b>	3752	206	81	3877	950	266	1153	2724	2724
12	<b>Data processing Equipments</b>	1159	258	70	1347	758	245	933	414	414
	<b>Total</b>	<b>1006991</b>	<b>32255</b>	<b>4591</b>	<b>1034655</b>	<b>250053</b>	<b>39171</b>	<b>1657</b>	<b>287567</b>	<b>747088</b>

(a) Possession of freehold land measuring 0-05-22 hectare (P.Y.: 00-05-22 hectare) is still to be handed over to the Company. The carrying amount of same is insignificant.

(b) 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.

(c) Includes Nil (P.Y.: ₹16606 lakh) capitalised during the year on account of provision made on the basis of arbitration award

(d) Information regarding property, plant and equipment pledged as security by the Company has been given in the note no. 2.21

(e) Detail of immovable property whose title deeds are not held in the name of the company is given in the note no. 2.55

(f) Possession of ROU-Solar Park having value amounting to ₹7095 lakh (P.Y. Nil) is still to be handed over to the company







**2.1 (a) Deductions/ Adjustments from gross block and depreciation for the year includes: (₹ Lakh)**

Particulars	Gross Block		Depreciation	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Disposal of assets	388	128	75	66
Retirement of assets	38	3775	37	1394
Writeback of excess capitalisation	185	-	58	-
Assets classified as held for sale	1618	-	11	-
Others	532	688	386	197
<b>Total</b>	<b>2761</b>	<b>4591</b>	<b>567</b>	<b>1657</b>

Assets classified as held for sale includes land and buildings which are underutilised and not yielded the appropriate returns have been transferred from Property, plant & equipments and classified as held for sale. The process of sale of these assets is under process and likely to be completed within next twelve months. (Refer note no. 2.17)

Others includes:

- 1) Decapitalisation of land during the year measuring 16-18-02 hectare amounting to ₹ 137 lakh (P.Y. Nil) taken over by Govt. of Himachal Pradesh in the year 2017 which was lying unused/ vacant out of the land acquired for the construction of Nathpa Jhakri Hydro Power Project.
- 2) Decapitalisation of land measuring 03-20-82 hectare amounting to ₹ 27 lakh (P.Y. Nil) given to landless families under rehabilitation and resettlement plan of Nathpa Jhakri Hydro Power Project. Possession of the land has already been given to landless families, however, the mutation of the same in the name of the landless families is under process.

**2.2 Capital Work-in-progress**

As at March 31, 2022

Sl. No.	Particulars	As at April 1, 2021	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2022	Capitalised during the year	As at March 31, 2022
1	Building	5665	3863	1067	8461	2125	6336
2	Civil Works	26121	30704	-	56825	1546	55279
3	Roads, Bridges & Culverts	876	2530	(1158)	4564	856	3708
4	Plant and Machinery	180	3285	3100	365	287	78
5	Electrical Works	160	167	-	327	232	95
6	Electro Mechanical Works	3328	32459	(3098)	38885	1888	36997
7	Preliminary	10050	5995	2184	13861	-	13861
8	Expenditure on Compensatory Afforestation/CAT Plan	17698	10015	-	27713	-	27713
9	Expenditure attributable to Construction (Note 2.2.1)	56111	18818	2201	72728	-	72728
10	Sub-station	-	125	-	125	-	125
11	Transmission Lines	-	5695	-	5695	-	5695
	<b>Total</b>	<b>120189</b>	<b>113656</b>	<b>4296</b>	<b>229549</b>	<b>6934</b>	<b>222615</b>

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	22801	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
	<b>Total</b>	<b>91301</b>	<b>52225</b>	<b>132</b>	<b>143394</b>	<b>23205</b>	<b>120189</b>



**2.2 (a) Capital-Work-in Progress (CWIP) aging schedule  
As at March 31, 2022**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	113656	35619	33578	20949	203802
Projects temporarily suspended	1029	697	1505	15582	18813
<b>Total</b>	<b>114685</b>	<b>36316</b>	<b>35083</b>	<b>36531</b>	<b>222615</b>

Devsari Hydro Electric Project located in the State of Uttarakhand, survey and investigation work of the which has been put on hold as per the direction of the Ministry of Power, Govt. of India vide letter dated July 06, 2021, the CWIP of same has been shown under the projects temporarily suspended.

**As at March 31, 2021**

CWIP	Amount in CWIP for a period of			Total
	Less than 1 year	1-2 years	2-3 years	
Projects in progress	35619	33578	39727	120189
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>35619</b>	<b>33578</b>	<b>39727</b>	<b>120189</b>

**2.2 (b) Capital-Work-in Progress (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan:**

CWIP	To be completed in		
	Less than 1 year	1-2 years	2-3 years
Natwar Mori Hydro Electric Project	73704	-	-
<b>Total</b>	<b>73704</b>	<b>-</b>	<b>-</b>

**As at March 31, 2021**

CWIP	To be completed in		
	Less than 1 year	1-2 years	2-3 years
Projects in progress	-	-	-
Projects temporarily suspended	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>




**2.2.1 Expenditure Attributable to Construction**

(₹ Lakh)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Employee Benefit Expenses:</b>		
Salaries,Wages, Allowances and Benefits	8379	6496
Contribution to Provident and Other Funds	1085	627
Leave Salary and Pension Contribution *	24	12
Welfare Expenses	887	451
	10375	7586
<b>Repair and Maintenance:</b>		
Buildings	61	47
Plant & Machinery	6	2
Office Equipments & Furnitures	6	5
Vehicles	26	12
Others	260	110
	359	176
<b>Other Expenses:</b>		
Rent	31	7
Rates & Taxes	2	-
Insurance	9	2
Security Expenses	216	208
Electricity Charges	58	27
Travelling & Conveyance	143	39
Training and Recruitment Expenses	309	33
Legal Expenses	21	46
Professional and Consultancy Charges	398	64
Communication Expenses	224	140
Printing & Stationery	54	20
Advertisement & Publicity	129	9
EDP Expenses	150	12
Hiring of Vehicles	310	196
Entertainment Expenses	26	18
Expenses on Transit Camps	84	60
Books & Periodicals	8	1
Loss on Disposal/Write off of Fixed Assets	1	17
Foundation Stone Laying Ceremony Expenses	182	35
Business Promotion Expenses	25	4
Fees and subscription	141	14
Environment & Ecology Expenses	129	54
Tender Expenses	40	16
Less: Receipts from Sale of Tenders	1	1
	39	15
Miscellaneous Expenses	145	50
Rehabilitation Expenses	682	-
Depreciation and Amortization Expense	500	446
<b>Interest and Finance Charges:</b>		
Interest on Non- Convertible Debentures	778	-
Foreign Currency Loans	76	-
Interest on rupee term loans	2128	1251
Finance charges on lease liabilities	26	18
Exchange differences regarded as adjustment to borrowing costs.	1343	-
Other finance charges	-	75
<b>Total expenses (A)</b>	<b>19101</b>	<b>10623</b>
<b>Less: Recovery and Receipts:</b>		
Interest Income:		
Banks	21	10
Contractors	229	379
Misc Income	33	23
<b>Total (B)</b>	<b>283</b>	<b>412</b>
<b>Net expenditure attributable to construction Projects (A-B)</b>	<b>18818</b>	<b>10211</b>

\* Leave Salary and Pension Contribution is on account of retirement benefits of deputationists working in the company payable to their parent organisations.

Corporate expenditure which is directly attributable to construction have been allocated to projects on the basis of accretion to CWIP.



### 2.3 Intangible Assets

As at March 31, 2022

Sl.No.	Particulars	Gross Block				Depreciation			Net Block	
		As at April 1, 2021	Additions during the year	Deductions/ Adjustments	As at March 31, 2022	As at April 1, 2021	For the year	Deduction	As at March 31, 2022	As at March 31, 2022
1	Software	3728	949	-	4677	970	1579	-	2549	2128
	<b>Total:</b>	<b>3728</b>	<b>949</b>	<b>-</b>	<b>4677</b>	<b>970</b>	<b>1579</b>	<b>-</b>	<b>2549</b>	<b>2128</b>
As at March 31, 2021										
Sl.No.	Particulars	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	Software	506	3222	-	3728	368	602	-	970	2758
	<b>Total:</b>	<b>506</b>	<b>3222</b>	<b>-</b>	<b>3728</b>	<b>368</b>	<b>602</b>	<b>-</b>	<b>970</b>	<b>2758</b>

### 2.4 Intangible Assets under Development

Sl. No.	Particulars	As at April 1, 2021	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2022	Capitalised during the year	As at March 31, 2022
1	Software	489	467	3	953	912	41
	<b>Total</b>	<b>489</b>	<b>467</b>	<b>3</b>	<b>953</b>	<b>912</b>	<b>41</b>

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
	<b>Total</b>	<b>3187</b>	<b>363</b>	<b>-</b>	<b>3550</b>	<b>3061</b>	<b>489</b>

### 2.4 (a) Intangible assets under development aging schedule

Intangible assets under development	Amount in Intangible assets under development for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	41	-	-	41
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>41</b>	<b>-</b>	<b>-</b>	<b>41</b>

As at March 31, 2021

Intangible assets under development	Amount in Intangible assets under development for a period of			Total
	Less than 1 year	1-2 years	More than 3 years	
Projects in progress	363	126	-	489
Projects temporarily suspended	-	-	-	-
<b>Total</b>	<b>363</b>	<b>126</b>	<b>-</b>	<b>489</b>

### 2.4 (b) Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan:

Intangible assets under development	To be completed in		
	Less than 1 year	1-2 years	More than 3 years
Total	-	-	-

Intangible assets under development	To be completed in		
	Less than 1 year	1-2 years	More than 3 years
Total	-	-	-







2.5 Investments	(₹ Lakh)	
	As At March 31, 2022	As At March 31, 2021
<b>Investment in Equity instruments</b>		
<b>Non Trade-Unquoted (at cost )</b>		
<b>(a) Subsidiary Companies</b>		
2511680000(P.Y:1896680000) Equity Shares of ₹10/- each in SJVN Thermal Pvt. Ltd.	251168	189668
336865600(P.Y:217707722) Equity Shares of ₹62.50/- each in SJVN Arun-3 Power Development Company Pvt. Ltd.	210541	136067
50000000(P.Y:Nil) Equity Shares of ₹10/- each in SJVN Green Energy Limited *	5000	-
<b>(b) Joint Venture Companies</b>		
12612473(P.Y:12612473) Equity Shares of ₹10/- each in Cross Border Power Transmission Company Ltd.	1261	1261
24042730(P.Y:19042730) Equity Shares of ₹100/- each in Kholongchhu Hydro Energy Ltd	24043	19043
<b>(c) Others</b>		
17500000 (P.Y:17500000) Equity Shares of ₹1/- each in Pran Urja Solution Limited	175	175
Total Investment in Equity Instruments	<u>492188</u>	<u>346214</u>
<b>Other Investment</b>		
60 Fully Paid up Ordinary shares of ₹ 50/- each in NJP Employees Consumer Co-operative Store, Jhakri (₹ 3000/-)	-	-
Total Other Investment	<u>-</u>	<u>-</u>
<b>Total Investments</b>	<u><b>492188</b></u>	<u><b>346214</b></u>

\* SJVN Green Energy Limited has been incorporated on March 30, 2022 and amount payable for subscribed capital has been shown under note no. 2.29.

2.6 Loans	(₹ Lakh)	
	As At March 31, 2022	As At March 31, 2021
<b>Loans to Related Parties</b>		
Loans to Directors		
- Secured considered good	45	17
- Unsecured considered good	7	3
- Doubtful	-	-
	<u>52</u>	<u>20</u>
<b>Other Loans</b>		
Loan to officers of the company		
- Secured considered good	120	27
- Unsecured considered good	12	9
- Doubtful	-	-
	<u>132</u>	<u>36</u>
Loans to other Employees		
- Secured considered good	8700	6949
- Unsecured considered good	386	412
- Doubtful	-	-
	<u>9086</u>	<u>7361</u>
<b>Other Advances:</b>		
Unsecured considered good		
-Directors	-	-
-Officers of the Company	-	-
-Other Employees	414	541
	<u>414</u>	<u>541</u>
<b>Total</b>	<u><b>9684</b></u>	<u><b>7958</b></u>

2.7 Other financial assets	(₹ Lakh)	
	As At March 31, 2022	As At March 31, 2021
Security Deposits	327	233
Bank Deposit with more than 12 months maturity *	17825	3820
Interest Accrued but not due on deposits with Banks	496	57
Share application money pending allotment:		
Subsidiary companies		
SJVN Thermal Pvt. Ltd.	-	25000
SJVN Arun-3 Power Development Company Pvt. Ltd.	-	16650
<b>Total</b>	<u><b>18648</b></u>	<u><b>45760</b></u>

\* Pledged with banks for bank guarantee



2.8 Deferred Tax Assets (Net)		(₹ Lakh)	
As at March 31, 2022			
	As at April 1, 2021	Additions/ (Adjustments) during the period	As at March 31, 2022
<b>Deferred Tax Assets</b>			
Temporary difference in carrying amount of PPE/ Intangible assets	13131	(3372)	9759
Temporary difference in Provisions	2967	239	3206
Deferred revenue	27042	(1126)	25916
MAT credit entitlement	19132	(5042)	14090
<b>Total</b>	<b>62272</b>	<b>(9301)</b>	<b>52971</b>
As at March 31, 2021			
	As at April 1, 2020	Additions/ (Adjustments) during the period	As at March 31, 2021
<b>Deferred Tax Assets</b>			
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
<b>Total</b>	<b>78463</b>	<b>(16191)</b>	<b>62272</b>
2.9 Other Non - current Assets		(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021	
<b>Capital Advances</b>			
<b>Advances to Suppliers and Contractors</b>			
Secured by hypothecation of Equipment/Material	2309	597	
Unsecured considered good			
-Covered by Bank Guarantees	7938	3292	
-Others	1741	1761	
Advances to Govt Departments	27404	16692	
Less: Provision for Expenditure	201	202	
	27203	16490	
<b>Total - Capital Advances</b>	<b>39191</b>	<b>22140</b>	
<b>Other Advances</b>			
Accrued Interest on Advances to Contractors	51	59	
Advance Tax	168994	134145	
Tax Deducted at Source	10107	8774	
	179101	142919	
Less: Provision for Tax	164272	142325	
	14829	594	
<b>Total - Other Advances</b>	<b>14880</b>	<b>653</b>	
<b>Others</b>			
Prepaid Expenses	382	24	
Deferred Employee Benefits Expense	1543	2109	
<b>Total - Others</b>	<b>1925</b>	<b>2133</b>	
<b>Total Other Non Current Assets</b>	<b>55996</b>	<b>24926</b>	

2.10 Inventories		(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021	
<b>INVENTORIES</b>			
Stores and Spares	6270	5619	
Less : Provision for Shortage of store and Obsolescence	4	4	
<b>Total</b>	<b>6266</b>	<b>5615</b>	

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, 2022	As at March 31, 2021	
Unsecured considered good	57503	52296	
Doubtful	402	-	
	57905	52296	
Less: Provision for Doubtful Debts	402	-	
	57503	52296	
<b>Total</b>	<b>57503</b>	<b>52296</b>	
a) Trade receivables includes amount due from subsidiaries	-	105	
b) Ageing schedule of trade receivables has been given in Note no. 2.53			





- c) 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 ₹24807 lakh (P.Y. ₹20107 lakh) (refer note no. 2.50)
- d) Trade receivables are net off amount refundable to beneficiaries on account of tariff order of CERC dated 24.01.2022 in respect of Rampur Hydro Power Plant amounting to ₹6677 lakh (P.Y. Nil).
- e) During the year provision has been created for amount receivable for Consultancy works provided in Bhutan.
- f) JKPCCL, one of the beneficiaries, has not renewed the letter of credit (LC) since 2019. However, JKPCCL has signed tripartite agreement under payment security mechanism, whereby, the recovery of outstanding dues of CPSE is ensured.

2.12 Cash and Cash Equivalents	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Balances with Banks		
Current Accounts	1676	2997
Term Deposits (having original maturity of upto 3 months)	45	1063
	1721	4060
Cheques & Drafts in hand	3	-
<b>Total</b>	<b>1724</b>	<b>4060</b>

2.13 Others Bank Balances	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Earmarked Balance (Unpaid Dividend)	140	282
Margin Money for BG/ Letter of Credit and Pledged deposits	66968	4896
Other Term Deposits (having original maturity of more than 3 months but less than 12 months)	213432	85021
<b>Total</b>	<b>280540</b>	<b>90199</b>

2.14 Loans	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Loans to Related Parties</b>		
Loans to Directors		
- Secured considered good	15	15
- Unsecured considered good	6	4
- Doubtful	-	-
	21	19
Loans to Other Related Parties (Including Accrued interest)		
Subsidiaries:		
- Secured considered good		
- Unsecured considered good	2536	-
- Doubtful	-	-
	2536	-
Other Loans		
Loan to officers of the company:		
- Secured considered good	71	2
- Unsecured considered good	15	19
- Doubtful	-	-
	86	21
Loans to other Employees		
- Secured considered good	1176	1153
- Unsecured considered good	185	169
- Doubtful	-	-
	1361	1322
Other Advances:		
Unsecured considered good		
-Directors	21	-
-Officers of the Company	87	21
-Other Employees	601	704
	709	725
<b>Total Loans</b>	<b>4713</b>	<b>2087</b>

2.15 Other Financial Assets	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Interest Accrued but not due on deposits with Banks	4827	1552
Unbilled Revenue	25092	25321
Amount Receivable for Late Payment Surcharge	-	33179
Amount Recoverable from Contractors & Suppliers	10517	10257
Amount Receivable from Subsidiaries/ Joint Ventures	7447	3007
Amount Receivable from Others	353	150
<b>Total Other Financial Assets</b>	<b>48236</b>	<b>73466</b>





2.16 Other Current Assets	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Advances other than Capital Advances</b>		
<b>Other Advances</b>		
Advances to Officers of the Company	-	-
Advances to other employees of the Company	1	3
	1	3
Advance to Suppliers and Contractors		
- Secured considered good	-	14
- Unsecured considered good	193	538
-Doubtful	9	9
	202	561
Less Provision for Doubtful Advances	9	9
	193	552
Accrued Interest on Advances to Contractors	177	26
Advances to Govt Departments		
- Secured considered good	-	
- Unsecured considered good *	9106	9013
-Doubtful	-	
	9106	9013
Less Provision for Expenditure	1273	1275
	7833	7738
Advances to Others		
- Secured considered good	-	-
- Unsecured considered good	202	179
-Doubtful	-	-
	202	179
Less Provision for Doubtful Advances	-	-
	202	179
<b>Others</b>		
Surplus Stores/Equipments	674	2925
Less: Provision for Shortage/ Obsolescence	644	2589
	30	336
Prepaid Expenses	4487	5667
Deferred Employees Benefits Expense	335	305
Amount Recoverable from Ex-Employees	2	7
Less: Provisions	2	7
	-	-
Other	9	4
<b>Total</b>	<b>13267</b>	<b>14810</b>

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.

2.17 Assets held-for-sale	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Land	506	-
Buildings	1101	-
<b>Total</b>	<b>1607</b>	<b>-</b>

Land and buildings which are underutilised and not yielded the appropriate returns have been transferred from Property, plant & equipments and classified as held for sale. The process of sale of these assets is under process and likely to be completed within next twelve months.

2.18 Regulatory Deferral Account Debit Balance	(₹ Lakh)		
As at March 31, 2022	As at April 1, 2021	Movement during the year	As at March 31, 2022
Foreign exchange rate variation on foreign currency loans	25151	1542	26693
Employee benefits expense (pay revision)	23772	-	23772
Interest on arbitration award	25782	2559	28341
O&M / Security Expenses recoverable in tariff	11465	(9411)	2054
<b>Total</b>	<b>86170</b>	<b>(5310)</b>	<b>80860</b>







As at March 31, 2021	As at April 1, 2020	Movement during the year	As at March 31, 2021
			(₹ Lakh)
Foreign exchange rate variation on foreign currency loans	33,828	(8677)	25,151
Employee benefits expense (pay revision)	19,459	4313	23,772
Interest on arbitration award	-	25782	25,782
O&M/ Security Expenses recoverable in tariff	-	11465	11,465
<b>Total</b>	<b>53287</b>	<b>32883</b>	<b>86170</b>

Disclosures as per Ind AS 114 'Regulatory Deferral Accounts' are provided in Note no. 2.52

## 2.19 Equity Share Capital

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
<b>AUTHORISED</b>				
Equity Shares of par value ₹10/- each	7000000000	700000	7000000000	700000
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP</b>				
Equity Shares of par value ₹ 10/- each fully paid up	3929795175	392980	3929795175	392980
<b>Total</b>		<b>392980</b>		<b>392980</b>

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.

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

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	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

### 2.19.2 20,68,31,325 equity shares of ₹ 10 each were bought back by the company during the Financial Year 2017-18

### 2.19.3 Details of shareholding of promoters :

As at March 31, 2022

Promoter Name	As at March 31, 2022		
	No. of shares	% of total shares	% Change during the year
President of India	2354802133	59.92	-
Governor of Himachal Pradesh	1055014800	26.85	-

As at March 31, 2021

Promoter Name	As at March 31, 2021		
	No. of shares	% of total shares	% Change during the year
President of India	2354802133	59.92	-
Governor of Himachal Pradesh	1055014800	26.85	-

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

(₹ Lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
Number of shares at the beginning	3929795175	392980	3929795175	392980
Number of shares at the end	3929795175	392980	3929795175	392980

### 2.19.5 Dividends:

Dividends Paid and recognised during the year

(₹ Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Final dividend for the F.Y. 2020-21 @ ₹0.40 (P.Y. ₹0.50) per share	15719	19649
Interim dividend for the F.Y. 2021-22 @ ₹1.15 (P.Y. ₹1.80) per share	45193	70736
	60912	90385

Dividends not recognised at the end of reporting period

(₹ Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
The Board of Directors of the company have proposed final dividend for the year 2021-22 @ ₹0.55 (P.Y. ₹0.40) per share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	21614	15719
	21614	15719





2.20 Other Equity		(₹ Lakh)	
		As at March 31, 2022	As at March 31, 2021
<b>A</b>	<b>Capital Redemption Reserve*</b>		
	Opening Balance	20683	20683
	Closing Balance	<b>20683</b>	<b>20683</b>
<b>B</b>	<b>Retained Earnings</b>		
	Opening Balance	862521	789768
	Add: Profit for the Year as per Statement of Profit and Loss	97752	163304
	Add: Other comprehensive income during the year	(163)	(166)
	Less: Dividends		
	Final Dividend Paid	15719	19649
	Interim Dividend Paid	45193	70736
	Closing Balance	<b>899198</b>	<b>862521</b>
	<b>Total Other Equity(A+ B)</b>	<b>919881</b>	<b>883204</b>

\*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 Borrowings		(₹ Lakh)	
		As at March 31, 2022	As at March 31, 2021
<b>A</b>	<b>Bonds/ Debentures</b>		
	<b>Unsecured</b>		
	6.10% unsecured non-convertible redeemable debentures of ₹10,00,000/- each redeemable at face value on September 29, 2026 (Series 1)	100000	-
	<b>Total (A)</b>	<b>100000</b>	<b>-</b>
<b>B</b>	<b>Term Loans</b>		
	<b>From Banks:</b>		
	<b>Secured</b>		
	Punjab National Bank #	20874	28900
	Repayable in quarterly instalments from June 2024 to March 2035 at floating (MCLR with annual reset) interest rate of 7.30% p.a. as on 31.03.2022		
	Prepayment of loan amounting ₹12381 lakh (P.Y. Nil) has been made during the year.		
	<b>HDFC Bank Limited *</b>	8894	12236
	Repayable in quarterly instalments from September 2020 to December 2023, carrying interest @ 5.90% p.a. (linked with Repo rate)		
	<b>Total</b>	<b>29768</b>	<b>41136</b>

\* 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 Naitwar Mori HEP

**Unsecured:**

**Foreign Currency Loans**

World Bank (IBRD) (Guaranteed by Govt of India)  
Repayable in 30 half yearly instalments from May 2013, carrying interest @ 6M LIBOR+variable spread of 0.33% p.a. (P.Y. 0.29% p.a. to 0.30% p.a.)

Punjab National Bank, Dubai

Repayable after 5 years from the date of drawal starting w.e.f. september 2026 carrying interest @ 6M LIBOR+spread 1.30% p.a.

**Total**

**Total term loans (B)**

**Total (A+B)**

**Less: Current maturities of long term debts**

Rupee term loans from banks- secured

Foreign Currency loans from world bank

**Total**

	153440	169132
	223028	-
<b>Total</b>	<b>376468</b>	<b>169132</b>
<b>Total term loans (B)</b>	<b>406236</b>	<b>210268</b>
<b>Total (A+B)</b>	<b>506236</b>	<b>210268</b>
<b>Less: Current maturities of long term debts</b>		
Rupee term loans from banks- secured	4456	4456
Foreign Currency loans from world bank	22085	20244
<b>Total</b>	<b>479695</b>	<b>185568</b>

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





2.22 Lease Liabilities		(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021	
Lease liabilities - Non current	583	917	
Disclosure as per Ind AS-116 has been given under note no. 2.54			

2.23 Other Financial Liabilities		(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021	
Deposits, Retention Money from Contractors and Others	1	1	
<b>Total</b>	<b>1</b>	<b>1</b>	

2.24 Non Current Provisions		(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021	
Unfunded Employee Benefits	10634	9658	
<b>Total</b>	<b>10634</b>	<b>9658</b>	

Disclosures as per Ind AS 19 'Employee benefits' are provided in Note no. 2.43

2.25 Other non-current Liabilities		(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021	
<b>Income Received in Advance:</b>			
- Advance Against Depreciation	70940	74163	
<b>Deferred Revenue:</b>			
- Government Grant*	1000	5	
- Deferred Income from Foreign Currency Fluctuation	999	1031	
<b>Total</b>	<b>72939</b>	<b>75199</b>	

\*Capital Grant/ Budgetary support amounting to ₹1000 lakh (P.Y. Nil) has been received from Government of India for meeting the cost of Diversion of National Highway 05 and cutting works of the project roads for Luhri Stage-1 HEP.

2.26 Borrowings		(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021	
<b>Loans repayable on demand</b>			
From banks			
Unsecured			
Bank Overdrafts	30828	5218	
<b>Other loans</b>			
Unsecured			
Short term loan from banks	14990	-	
<b>Current Maturities of Long Term debt</b>			
Secured			
- Rupee Term Loans from banks	4456	4456	
Unsecured			
- Foreign Currency Loans (Guaranteed by GOI)	22085	20244	
<b>Total</b>	<b>72359</b>	<b>29918</b>	

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

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

2.27 Lease Liabilities		(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021	
Lease liabilities- current	631	880	
Disclosure as per Ind AS-116 has been given under note no. 2.54			

2.28 Trade Payables		(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021	
Total Outstanding Dues of Micro and Small Scale Enterprises	700	642	
Total Outstanding Dues of Creditors Other than Micro and Small Enterprises	3016	3591	
<b>Total</b>	<b>3716</b>	<b>4233</b>	

a) Disclosure regarding dues to micro and small enterprises as required by the MSMED Act is made in note 2.58

b) Ageing schedule of trade payables has been given in note no. 2.55





2.29 Other Financial Liabilities-Current	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Interest Accrued but not due on:		
- Short Term Loan	1	-
- Foreign Currency Loans : World Bank	327	354
: Others	3186	-
- Rupee Term Loans	44	-
	3558	354
Unpaid Dividend	140	282
Others Payables:		
Liability for Employees' Remuneration and Benefits	5053	5124
Liability for Purchase/Construction of Fixed Assets:		
- Micro and Small Enterprises	82	387
- Other than Micro and Small Enterprises	39337	28040
Deposits, Retention Money from Contractors and Others	13493	11065
Amount Payable to Customers *	2233	-
Amount Payable for Subscribed Capital of Subsidiaries	5000	-
Amount Payable to Gratuity/Post Retirement Medical Trust	1034	1032
Others	5	12
<b>Total</b>	<b>69935</b>	<b>46296</b>

Disclosure regarding dues to micro and small enterprises as required by the MSMED Act is made in note 2.58

\*Refundable to beneficiaries on account of tariff order of CERC dated 24.01.2022 in respect of Rampur Hydro Power Plant

2.30 Other Current Liabilities	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Revenue Received in Advance:		
Advance against Depreciation	3224	3224
Advance from Customers	392	3695
Other Advances		
TDS and Other Taxes Payable	1397	758
Others	-	76
<b>Total</b>	<b>5013</b>	<b>7753</b>

2.31 Current-Provisions	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Unfunded Employee Benefits	1,093	1,136
Performance Related Pay	4267	6664
Interest on Arbitration Awards	43498	41059
Others	824	891
<b>Total</b>	<b>49682</b>	<b>49750</b>

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






**2.32 Revenue from Operations**

(₹ Lakh)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Sales</b>		
Energy Sales	238489	242205
Less:		
Regulated Power Adjustment- Margin	-	76
Regulated Power Adjustment- Expenses	-	16
	<u>238489</u>	<u>242113</u>
Advance Against Depreciation	<u>3224</u>	<u>3224</u>
	241713	245337
Less: Rebate to Customers	<u>845</u>	<u>530</u>
	240868	244807
Consultancy Income	264	544
<b>Total</b>	<b><u>241132</u></b>	<b><u>245351</u></b>
<b>Other operating revenues</b>		
Interest from Beneficiaries	798	3470
Others	266	262
Total	1064	3732
<b>Total Revenue from Operations</b>	<b><u>242196</u></b>	<b><u>249083</u></b>

The CERC notified the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 vide Order dated 7th March 2019 (Regulations, 2019) for determination of tariff for the the period 2019-24. CERC has approved the tariff of hydro power plants as per above regulations. Accordingly, sales of hydro power plants have been recognised in accordance with the tariff approved.

Energy sales and interest from beneficiaries include an amount of ₹(6846) lakh and ₹798 lakh respectively pertaining to earlier years on receipt of tariff orders of hydro power plants for the period 2014-19 and 2019-24 (Previous year: ₹5635 lakh and ₹3390 lakh on truing up of tariff in respect of RHPS for the period 2014-19). Interest payable as per above tariff orders has been shown under note no. 2.37

**2.33 Other Income**

(₹ Lakh)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Interest Income</b>		
Banks	9612	11348
Employees	1141	960
Contractors	550	13
Others	95	71
	<u>11398</u>	<u>12392</u>
<b>Other Non-Operating Income</b>		
Late Payment Surcharge From Beneficiaries	6141	58416
Receipt of Maintenance of ICF	262	251
Dividend from Subsidiary / Associate / Joint Venture	139	265
Government Grant	-	1
Foreign Currency Fluctuation Adjustment	32	40
Sale of Scrap	183	70
Miscellaneous Income #	2203	789
<b>Total</b>	<b><u>20358</u></b>	<b><u>72224</u></b>
<b># Details of Miscellaneous Income:</b>		
Profit on Sale of Fixed Assets	34	1
Rent Recovery from Staff/Others	89	81
Excess Provision Written Back	495	2
Liquidated Damages (LD) recovered	1077	311
Claim Received from Insurance Company	336	249
Corporate Guarantee Fee from Subsidiaries	24	-
Other Misc. Receipts	148	145
<b>Total</b>	<b><u>2203</u></b>	<b><u>789</u></b>



2.34 Employee Benefits Expense	(₹ Lakh)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Salaries, Wages, Allowances and Benefits	22744	25540
Contribution to Provident and Other Funds	3185	3493
Leave Salary and Pension Contribution *	61	43
Welfare Expenses	2951	2979
	28941	32055
	<b>28941</b>	<b>32055</b>

\* Leave Salary and Pension Contribution is on account of retirement benefits of deputationists working in the company payable to their parent organisations.

Disclosures as per Ind AS 19 'Employee benefits' are provided in Note no. 2.43

2.35 Finance Costs	(₹ Lakh)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Interest cost on financial liabilities measured at amortized cost:</b>		
Non-convertible Debentures	2297	-
Working Capital Loan	1164	14
Foreign Currency Loans	2260	1753
Rupee Term Loans	686	1021
Commercial Papers	387	-
	6794	2789
Exchange differences regarded as adjustment to borrowing costs.	7353	(5539)
<b>Other Borrowing Costs</b>		
Guarantee fees to Government of India	1862	2161
Finance charges on lease liabilities	69	99
Other finance charges	56	206
<b>Total</b>	<b>16134</b>	<b>(285)</b>

2.36 Depreciation and Amortization Expense	(₹ Lakh)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
On property, plant and equipment (Note 2.1)*	39350	39171
On intangible assets (Note 2.3)	1579	602
Less: Depreciation attributable to Construction (Note 2.2.1)	500	446
<b>Depreciation Charged to Statement of Profit &amp; Loss</b>	<b>40429</b>	<b>39327</b>
* Includes depreciation/ amortization of ROU assets	1545	1714




**2.37 Other Expenses**

(₹ Lakh)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Repair and Maintenance:		
Buildings	1417	1619
Roads	174	142
Plant & Machinery	1637	1776
Office Equipments & Furnitures	23	34
Civil Works	939	938
Electro Mechanical Works	3554	2963
Vehicles	118	97
Others	845	872
	8707	8441
Rent	5	8
Rates & Taxes	21	25
Insurance	5212	4786
Security Expenses	5291	5181
Electricity Charges	1208	1084
Less:- Recovered from Employees & Contractors	52	73
	1156	1011
Travelling & Conveyance	245	150
Training and Recruitment Expenses	1334	308
Less:- Cost of Application Forms Received	35	4
	1299	304
Legal Expenses	175	206
Professional and Consultancy Charges	978	832
Communication Expenses	410	409
Printing & Stationery	87	134
Payment to Auditors (refer note no. 2.60)	31	42
Advertisement & Publicity	383	305
EDP Expenses	471	928
Hiring of Vehicles	441	282
Entertainment Expenses	111	77
Expenses on Transit Camps	85	66
Books & Periodicals	24	44
Contribution to PM CARES Fund	1300	-
Corporate Social Responsibility Expenses	5075	5350
Stores Written Off	-	4
Loss on Disposal/Write off of Fixed Assets	362	2279
Debts/ Advances written Off	403	-
Directors Sitting Fees	19	11
Business Promotion Expenses	130	69
Fees and subscription	775	1055
Environment & Ecology Expenses	116	129
Tender Expenses	189	87
Less: Receipts from Sale of Tenders	10	8
	179	79
Interest on Arbitration / Court cases	2802	2877
Interest to Beneficiaries #	3616	1635
Miscellaneous Expenses	235	156
Exchange Rate Variation	65	-
Expenses on Regulated Power	-	16
Less: Regulated Power Adjustment - Sales	-	16
	-	-
Rehabilitation Expenses	171	7
<b>Total</b>	<b>40380</b>	<b>36882</b>
<b>Stores Consumption Included in Repairs and Maintenance</b>	<b>1679</b>	<b>1866</b>

# Interest to beneficiaries is on account of receipt of tariff orders of hydro power stations for the period 2014-19 and 2019-24 (P.Y. on account of truing up of tariff of RHPS for the period 2014-19).



2.38 Exceptional Items	(₹ Lakh)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Projects written off *	2326	-
Special Rebate to Customers	-	5173
Interest on arbitration award	-	24171
<b>Total</b>	<b>2326</b>	<b>29344</b>

\* During the year transmission line at Muzaffarpur was written off as in view of the management it is not required to be kept operational.

2.39 Net movement in regulatory deferral account balances (net of tax)	(₹ Lakh)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Regulatory Deferral Account Debit Balance:</b>		
Foreign exchange rate variation on foreign currency loans	1542	(8677)
Employee benefits expense (pay revision)	-	4313
Interest on arbitration award	2559	25782
O&M / Security Expenses recoverable in tariff	(9411)	11465
Total	(5310)	32883
Tax on net movement in regulatory deferral account balances	(928)	5,745
<b>Net movement in regulatory deferral account balances (net of tax)</b>	<b>(4382)</b>	<b>27138</b>







**NOTE-2.40 : Disclosure on Financial Instruments and Risk Management**

**(1) Fair Value Measurement**

**A) Financial Instruments by category**

(₹ Lakh)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
		Amoritised Cost	Amoritised Cost
<b>Financial assets</b>			
<b>Non-current Financial assets</b>			
(i) Non-current investments *			
-Equity Instrument (Unquoted)	2.5	492188	346214
(ii) Loans (to employee & others)	2.6	9684	7958
(iii) Others :			
-Security Deposits	2.7	327	233
-Share application money pending allotment in subsidiary companies	2.7	-	41650
-Bank Deposits with more than 12 Months			
Maturity (including accrued interest)	2.7	18321	3877
<b>Current Financial assets</b>			
(i) Trade receivables	2.11	57503	52296
(ii) Cash and cash equivalents	2.12	1724	4060
(iii) Bank balances other than (iii) above	2.13	280540	90199
(iv) Short-term loans (to employee & others)	2.14	4713	2087
(v) others :			
(a) Amount recoverable from supplier & contractors	2.15	10517	10257
(b) interest receivable on investments and bank deposits	2.15	4827	1552
(c) other receivables	2.15	32892	61657
<b>Total Financial Assets</b>		<b>913236</b>	<b>622040</b>
<b>Financial Liabilities</b>			
<b>Non Current Financial Liabilities</b>			
(i) Long -Term Borrowings			
a) Non-convertible redeemable debentures	2.21	100000	-
b) Term Loan From Domestic Bank	2.21	25312	36680
c) Term Loan from others	2.21	354383	148888
(ii) Lease Liabilities	2.22	583	917
(iii) Deposits/Retention Money-non current	2.23	1	1
<b>Current Financial Liabilities</b>			
(i) Short-term borrowings	2.26	72359	29918
(ii) Lease liabilities	2.27	631	880
(iii) Trade Payables (MSME)	2.28	700	642
(iv) Trade Payables (other than MSME)	2.28	3016	3591
(v) Other Current financial liabilities			
a) interest accrued but not due on borrowings	2.29	3558	354
b) Deposits/Retention Money	2.29	13493	11065
c) Liability against Capital Works/Supplies	2.29	39419	28427
d) Other Payables	2.29	13465	6450
<b>Total Financial Liabilities</b>		<b>626920</b>	<b>267813</b>

\*At Cost

**Note:** The group 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)

	Note No.	As at March 31, 2022			As at March 31, 2021		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>							
(i) Loans (to employee & others)	2.6 & 2.14	-	14397	-	-	10,045	-
(ii) Others							
-Bank Deposits with more than 12 Months Maturity (including accrued interest)	2.7	-	18321	-	-	3,877	-
-Security Deposits	2.7	-	327	-	-	233	-
<b>Total Financial Assets</b>		-	<b>33045</b>	-	-	<b>14155</b>	-
<b>Financial Liabilities</b>							
(i) Non-convertible redeemable debentures	2.21	100000	-	-	-	-	-
(iii) Borrowings (Long term & Short term)	2.21 & 2.26	-	455613	-	-	215840	-
(ii) Lease liabilities	2.22 & 2.27	-	1214	-	-	1797	-
(iii) Deposits/Retention Money (including Current)	2.23 & 2.29	-	13494	-	-	11,066	-
<b>Total Financial Liabilities</b>		<b>100000</b>	<b>470321</b>	-	-	<b>228703</b>	-

**(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 instruments.
- Fair value of remaining financial instruments is determined using discounted cash flow analysis.

The company has a team that 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)

	Note No.	As at March 31, 2022		As at March 31, 2021	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets at Amortised Cost</b>					
(i) Loans	2.6 & 2.14	16275	14397	12459	10045
(ii) Bank Deposits with more than 12 Months Maturity	2.7	18321	18321	3877	3877
(iii) Security Deposits	2.7	327	327	233	233
<b>Total Financial Assets</b>		<b>34923</b>	<b>33045</b>	<b>16569</b>	<b>14155</b>
<b>Financial Liabilities at Amortised Cost</b>					
(i) Non-convertible redeemable debentures	2.21	100000	100000		
(ii) Borrowings (including interest accrued)	2.21 & 2.26	455613	455613	215840	215840
(iii) Lease liabilities	2.22 & 2.27	1214	1214	1797	1797
(iv) Deposits/Retention Money	2.23 & 2.29	13494	13494	11066	11066
<b>Total Financial Liabilities</b>		<b>570321</b>	<b>570321</b>	<b>228703</b>	<b>228703</b>

**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 and other receivables, 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:





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, 2022 and 31st March, 2021.

The company operates mainly in regulated environment. Tariff hydro power stations 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 2019-24 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, 2022	As at March 31, 2021
<b>Floating rate borrowings</b>		
Term loans	215228	16483
Foreign currency loans	152340	-
Bank Overdraft	4044	4782
Loans against Term Deposits	16602	-
<b>Total</b>	<b>388214</b>	<b>21265</b>

(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 and 2.29 of balance sheet)

As at March 31, 2022

(₹ Lakh)

Contractual maturities of financial liabilities	Note No.	Outstanding Debt As at March 31, 2022	Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Years & Less than 5 Years	More than 5 Years
1. Non-convertible redeemable debentures	2.21	100,000	-	-	100,000	-
2. Long term & Short term Borrowings (including interest accrued but not due)	2.21, 2.26 & 2.30	455,613	75,917	55,482	282,794	41,419
3. Lease liabilities	2.22 & 2.27	1,214	631	292	207	84
4. Other financial Liabilities	2.23 & 2.29	66,378	66,377	1	-	-
5. Trade Payables	2.28	3,716	3,716	-	-	-
<b>Total Financial Liabilities</b>		<b>526,921</b>	<b>146,641</b>	<b>55,775</b>	<b>283,001</b>	<b>41,503</b>

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 Years & Less than 5 Years	More than 5 Years
1. Long term & Short term Borrowings (including interest accrued but not due)	2.21, 2.26 & 2.30	215,840	30,272	51,889	70,316	63,363
2. Lease liabilities	2.22 & 2.27	1,797	880	370	370	177
3. Other financial Liabilities	2.23 & 2.29	45,943	45,942	1	-	-
4. Trade Payables	2.28 & 2.28	4,233	4,233	-	-	-
<b>Total Financial Liabilities</b>		<b>267,813</b>	<b>81,327</b>	<b>52,260</b>	<b>70,686</b>	<b>63,540</b>

(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, 2022	As at March 31, 2021
Variable Rate Borrowings (FC)	376468	169132
Variable Rate Borrowings (INR)	29768	41136
<b>Total</b>	<b>406236</b>	<b>210268</b>





### Interest Rate Sensitivity Analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. 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, 2022	As at March 31, 2021
Effect on Profit Before Tax with rise of 25 basis points	(1016)	(526)
Effect on Profit Before Tax with rise of 50 basis points	(2031)	(1051)

#### (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

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, 2022	As at March 31, 2021
<b>Foreign Currency</b>	USD	USD
Net Exposure to foreign currency risk(asset)	-	-
<b>Financial Liabilities:</b>		
Foreign currency loan including interest accrued but not due(₹ in Lakh)	379982	169486
<b>Net Exposure to foreign currency risk(liabilities)</b>	<b>379982</b>	<b>169486</b>

The above foreign currency risk exposure is for foreign currency loans taken for construction of projects. 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.

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 2019-24.

### (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, 2022.

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

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Total Debt	555612	215840
(b) Total Capital	1312861	1276184
Debt Equity Ratio (a/b)	0.42	0.17

**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.





**(b) Loan Covenants:**

Under the terms of the major borrowing facilities, the company is required to comply with the following financial covenants:-

- 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.
- 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, 2022	As at March 31, 2021
Final dividend for the year 2020-21 of INR 0.40 per fully paid share approved in Sep-2021. (INR 0.50 per fully paid share for FY 2019-20 approved in Sep-2020).	15719	19649
Interim dividend for the year ended 31st March, 2022 of INR 1.15 per fully paid share (For the year ended 31st March 2021- INR 1.80 per fully paid share).	45193	70736
<b>(ii) Dividend not recognised at the end of the reporting period</b>	<b>21614</b>	<b>15719</b>

**2.41 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. 1.5 "Non-current Assets Held for Sale" has been introduced during the year. The impact of the same has resulted in decrease in net block of Property, plant and equipment (PPE) by ₹ 1607 lakh and increase in Assets held-for-sale by the same amount.

**b) Reclassification and comparative figures**

Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements.

As a result, certain line items have been reclassified in the balance sheet and statement of cash flows, the details of which are as under:

**Items of Balance Sheet before and after reclassification as at 31st March 2021**

(₹ Lakh)

Sr. No.	Particulars	Amount before reclassification	Reclassification	Amount after reclassification
1	Non-current assets – Financial assets – Loans	8191	(233)	7958
2	Non-current assets – Financial assets – Others	45527	233	45760
3	Current Financial Liabilities - Borrowings	5218	(24700)	29918
4	Current Financial Liabilities - Others	70996	24700	46296

**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	
	31st March 2022	31st March 2021
<b>Current tax expense</b>		
Current year	22909	31627
Pertaining to regulatory deferral account balances	(928)	5745
<b>Total Current tax expense</b>	<b>21981</b>	<b>37372</b>

**ii) Income tax recognized in other comprehensive income**

(₹ Lakh)

Particulars	For the year ended					
	31st March 2022			31st March 2021		
	Before Tax	Tax expense/(benefit)	Net of tax	Before Tax	Tax expense/(benefit)	Net of tax
Net actuarial gains/(losses) on defined benefit plans	(197)	(34)	(163)	(255)	(89)	(166)
<b>Total</b>	<b>(197)</b>	<b>(34)</b>	<b>(163)</b>	<b>(255)</b>	<b>(89)</b>	<b>(166)</b>

**iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate.**

(₹ Lakh)

Particulars	For the year ended	
	31st March 2022	31st March 2021
Profit before tax including movement in regulatory deferral account balances	129034	216867
Tax using the Company's domestic tax rate @ 34.944% (P.Y 34.944%)	45090	75782
Tax effect of :		
Non-deductible tax expenses	(3335)	(5165)
Tax-incentives u/s 80-IA	(14482)	(24877)
Deferred tax expenses / (income)	9301	16191
Minimum alternate tax adjustment	(5042)	(8368)
<b>Total tax expense recognized in the statement of profit and loss</b>	<b>31532</b>	<b>53563</b>





- 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.

**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. The liability for the same is recognized on accrual basis. 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. 2021-22. Pending notification of the rate by the Government, actuarial valuation has been carried out considering the provisional interest rate of 8.10% 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, 2022	As at March 31, 2021
Net defined benefit (asset) / liability – current	(279)	(1676)

**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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>Opening balance</b>	<b>66427</b>	<b>56980</b>	<b>(68103)</b>	<b>(55432)</b>	<b>(1676)</b>	<b>1548</b>
Adjustment made in plan assets after finalization of previous report	-	-	1911	-	1911	-
Adjusted Opening Balance (A)	66427	56980	(66192)	(55432)	235	1548
Current service cost recognised in statement of profit and loss *	1964	1903	-	-	1964	1903
Interest cost/(income)	5474	5064	(6189)	(6663)	(715)	(1599)
<b>Total (B)</b>	<b>7438</b>	<b>6967</b>	<b>(6189)</b>	<b>(6663)</b>	<b>1249</b>	<b>304</b>
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(13)	-	-	-	(13)	-
Experience adjustment	109	(172)	-	-	109	(172)
Return on Plan Assets Excluding Interest Income	-	-	105	(1453)	105	(1453)
<b>Total (C)</b>	<b>96</b>	<b>(172)</b>	<b>105</b>	<b>(1453)</b>	<b>201</b>	<b>(1625)</b>
Others						
Contributions by plan participants / employees	5614	6116	(5614)	(6116)	-	-
Employer contribution	-	-	(1964)	(1903)	(1964)	(1903)
Benefits Paid	(5653)	(3711)	5653	3711	-	-
Settlements/Transfer In	263	247	(263)	(247)	-	-
Total (D)	224	2652	(2188)	(4555)	(1964)	(1903)
<b>Closing Balance (A+B+C+D)</b>	<b>74185</b>	<b>66427</b>	<b>(74464)</b>	<b>(68103)</b>	<b>(279)</b>	<b>(1676)</b>

\* Out of the above an amount of ₹ 302 Lakh (P.Y.: ₹ 286 Lakh) has been transferred to expenditure attributable to construction period.

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 ₹ 279 Lakh (P.Y.: ₹ 1676 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, 2022		March 31, 2021	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	74185		66427	
2	Change in discount rate by 0.5%	(9)	10	(6)	7

**(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:

Particulars	As at March 31, 2022	As at March 31, 2021
Net defined benefit (asset) / liability – Current (Funded)	341	597





## 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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>Opening balance</b>	<b>9227</b>	<b>8619</b>	<b>(8630)</b>	<b>(7700)</b>	<b>597</b>	<b>919</b>
Adjustment made in plan assets by the insurers after finalization of previous report	-	-	(597)	(919)	(597)	(919)
Adjusted Opening Balance (A)	9227	8619	(9227)	(8619)	-	-
Included in profit or loss for the year:						
Current service cost	509	532	-	-	509	532
Past service cost	-	-	-	-	-	-
Interest cost/(income)	623	585	(653)	(596)	(30)	(11)
Total amount recognised in profit or loss for the year * (B)	1132	1117	(653)	(596)	479	521
Included in other comprehensive income:						
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(197)	23	-	-	(197)	23
Experience adjustment	91	53	-	-	91	53
Return on Plan Assets Excluding Interest Income	-	-	-	-	-	-
Total amount recognised in other comprehensive income* (C)	(106)	76	-	-	(106)	76
Others						
Contribution by Employer	-	-	-	-	-	-
Acquisition of asset from Deputation / Contract Employee	-	-	(32)	-	(32)	-
Benefits Paid	(856)	(585)	856	585	-	-
Total (D)	(856)	(585)	824	585	(32)	-
<b>Closing Balance (A+B+C+D)</b>	<b>9397</b>	<b>9227</b>	<b>(9056)</b>	<b>(8630)</b>	<b>341</b>	<b>597</b>

\* Out of the above an amount of ₹ 46 Lakh (P.Y.: ₹ 77 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 44 Lakh (P.Y.: ₹ 66 Lakh) is recoverable from joint venture companies.

## Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr.No.	Particulars	March 31, 2022		March 31, 2021	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	9397		9227	
2	Change in discount rate by 0.5%	(373)	402	(375)	405
3	Change in Salary increase rate by 0.5%	96	(109)	123	(143)

## (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, 2022	As at March 31, 2021
Net defined benefit (asset) / liability – Current (Funded) #	866	549

# Includes an amount of ₹ 56 lakh (P.Y.: ₹ 38 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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>Opening balance</b>	<b>8916</b>	<b>8098</b>	<b>(8367)</b>	<b>(6930)</b>	<b>549</b>	<b>1168</b>
Adjustment made in plan assets by the insurers after finalization of previous report	-	-	(511)	(1107)	(511)	(1107)
Adjusted Opening Balance (A)	8916	8098	(8878)	(8037)	38	61
Included in profit or loss for the year :						
Current service cost	481	389	-	-	481	389





(₹ 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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Past service cost	-	-	-	-	-	-
Interest cost/(income)	602	549	(590)	(523)	12	26
Total amount recognised in profit or loss for the year * (B)	1083	938	(590)	(523)	493	415
Included in other comprehensive income:						
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(313)	30	-	-	(313)	30
Experience adjustment	669	115	-	-	669	115
Return on Plan Assets Excluding Interest Income	-	-	-	-	-	-
Total amount recognised in other comprehensive income* (C)	356	145	-	-	356	145
Others						
Contribution by Employer	-	-	-	-	-	-
Benefits Paid	(379)	(265)	358	193	(21)	(72)
Total (D)	(379)	(265)	358	193	(21)	(72)
<b>Closing Balance (A+B+C+D)</b>	<b>9976</b>	<b>8916</b>	<b>9110</b>	<b>8367</b>	<b>866</b>	<b>549</b>

\* Out of the above an amount of ₹ 104 Lakh (P.Y.: ₹ 69 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 98 Lakh (P.Y.: ₹ 57 Lakh) is recoverable from subsidiaries and joint venture companies.

**Sensitivity Analysis of the Defined benefit obligation**

(₹ Lakh)

Sr.No.	Particulars	March 31, 2022		March 31, 2021	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period		9976		8916
2	Change in discount rate by 0.5%	(630)	646	(519)	534
3	Change in Medical cost rate by 0.5%	654	(634)	539	(525)

**(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, 2022	As at March 31, 2021
Net defined benefit (asset) / liability – Current (Non -funded)	14	10
Net defined benefit (asset) / liability – Non - Current (Non -funded)	236	215
Total Net defined benefit (asset) / liability – (Non -funded)	250	225

**Movement in net defined benefit (asset) / liability**

(₹ Lakh)

Particulars	Defined benefit obligation	
	For the year ended	
	31.03.2022	31.03.2021
<b>Opening balance (A)</b>	<b>225</b>	<b>177</b>
Included in profit or loss for the year / EAC:		
Current service cost	16	15
Past service cost	-	-
Interest cost/(income)	15	12
Total amount recognised in profit or loss for the year / EAC* (B)	31	27
Included in other comprehensive income:		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Demographic assumptions	-	-
Financial assumptions	(6)	1
Experience adjustment	55	40
Return on Plan Assets Excluding Interest Income	-	-
Total amount recognised in other comprehensive income* (C)	49	41
Others		
Contribution by Employer	-	-
Benefits Paid	(55)	(20)
Total (D)	(55)	(20)
<b>Closing Balance (A+B+C+D)</b>	<b>250</b>	<b>225</b>





\* Out of the above an amount of ₹ 16 Lakh (P.Y.: ₹ 12 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 5 Lakh (P.Y.: ₹ 7 Lakh) is recoverable from subsidiaries and joint venture companies.

**Sensitivity Analysis of the Defined benefit obligation**

(₹ Lakh)

Sr.No.	Particulars	March 31, 2022		March 31, 2021	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	250		225	
2	Change in discount rate by 0.5%	(12)	12	(9)	9
3	Change in Cost increase rate by 0.5%	12	(12)	9	(9)

**(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, 2022	As at March 31, 2021
Net defined benefit (asset) / liability – Current (Non -funded)	14	12
Net defined benefit (asset) / liability – Non - Current (Non -funded)	290	277
Total Net defined benefit (asset) / liability – (Non -funded)	304	289

**Movement in net defined benefit (asset) / liability**

(₹ Lakh)

Particulars	Defined benefit obligation	
	For the year ended	
	31.03.2022	31.03.2021
<b>Opening balance (A)</b>	<b>289</b>	<b>227</b>
Included in profit or loss / EAC for the year:		
Current service cost	19	20
Past service cost	-	-
Interest cost/(income)	19	15
Total amount recognised in profit or loss / EAC for the year* (B)	38	35
Included in other comprehensive income:		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Demographic assumptions	-	-
Financial assumptions	(7)	1
Experience adjustment	21	51
Return on Plan Assets Excluding Interest Income	-	-
Total amount recognised in other comprehensive income* (C)	14	52
Others		
Contribution by Employer		
Benefits Paid	(37)	(25)
Total (D)	(37)	(25)
<b>Closing Balance (A+B+C+D)</b>	<b>304</b>	<b>289</b>

\* Out of the above an amount of ₹ 2 Lakh (P.Y.: ₹ 7 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 2 Lakh (P.Y.: ₹ 6 Lakh) is recoverable from subsidiaries.

**Sensitivity Analysis of the Defined benefit obligation.**

(₹ Lakh)

Sr.No.	Particulars	March 31, 2022		March 31, 2021	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	304		289	
2	Change in discount rate by 0.5%	(14)	15	(13)	14
3	Change in Cost increase rate by 0.5%	16	14	14	(13)

**(vi) Plan Assets**

Plan assets comprise the following :

(₹ Lakh)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
State Govt. Securities	30993	-	30993	27945	-	27945
Central Govt. Securities	7040	-	7040	7135	-	7135
Corporate bonds and term deposits	27906	-	27906	25940	-	25940
Equity and equity-linked investments	8567	-	8567	6803	-	6803
Investments with insurance companies	-	16930	16930	-	15547	15547
Others	-	78	78	-	94	94

Actual Return on Plan assets is ₹ 7327 Lakh (P.Y.: ₹ 9235 Lakh)






**(vii) Key Actuarial assumptions for Actuarial Valuation:**

Particulars	As at 31.03.2022	As at 31.03.2021
Mortality Table	IALM (2012-14)	IALM (2012-14)
Discount Rate	7.00%	6.75%
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 Group is exposed to various risks as follow -

- 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.
- 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.
- 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.
- Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- 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.**

(₹ Lakh)

Particulars	Less than a year	Between 1-5 years	Over 5 years	Total
<b>31-Mar-22</b>				
Gratuity	706	3190	5501	9397
TTA/Settlement allowance on retirement (exit)	14	76	160	250
Employee Provident fund	13345	19777	41063	74185
Retirement Gifts/Long service award liability	14	92	198	304
Post Retirement Medical Scheme	317	1795	7864	9976
<b>TOTAL</b>	<b>14396</b>	<b>24930</b>	<b>54786</b>	<b>94112</b>
<b>31-Mar-21</b>				
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
<b>TOTAL</b>	<b>12096</b>	<b>22133</b>	<b>50855</b>	<b>85084</b>

**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 ₹ 1648 Lakh has been made on the basis of actuarial valuation at the year end and debited to statement of profit and loss (P.Y.: ₹ 1534 Lakh).

**2.44 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'**

(₹ Lakh)

	Year ended 31.03.2022	Year ended 31.03.2021
(i) Amount charged to Statement of Profit and Loss excluding depreciation:		
- As FERV	65	-
- As Borrowing cost	7353	(5539)
(ii) Amount charged to Expenditure Attributable to Construction:		
- As FERV	-	-
- As Borrowing cost	1343	-
(iii) Amount adjusted by addition to carrying amount of fixed assets	-	-

**2.45 Disclosure as per Ind AS 23 'Borrowing Cost'**

Borrowing costs capitalised during the year is ₹ 4351 Lakh (P.Y: ₹ 1344 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)
Smt. Geeta Kapur	Director (Personnel)
Sh. Surinder Pal Bansal	Director (Civil)
Sh. Akhileshwar Singh	Director (Finance)
Sh. Susheel Sharma	Director (Electrical)
Sh. Tanmay Kumar	Nominee Director, Government of India upto 31.08.2021
Sh. Raghuraj Rajendran	Nominee Director, Government of India w.e.f 13.09.2021
Sh. Ram Subhag Singh	Nominee Director, Government of Himachal Pradesh upto 02.06.2021
Sh. Ram Dass Dhiman	Nominee Director, Government of Himachal Pradesh w.e.f. 22.06.2021
Sh. Subhash Chander Negi	Independent Director upto 25.03.2022
Sh. Rajnish Pande	Independent Director upto 25.03.2022
Dr. Udeeta Tyagi	Independent Director w.e.f. 08.11.2021
Sh. Saroj Ranjan Sinha	Independent Director w.e.f. 08.11.2021
Dr. Danveer Singh Yadav	Independent Director w.e.f. 09.11.2021
Shri Soumendra Das	Company Secretary

**ii) Entities where control / significant influence exists****Subsidiaries:**

Name of Entity	% of Shareholding/ voting Power			
	Principal Place of Operation / Country of Incorporation	Principal activities	As at March 31, 2022	As at March 31, 2021
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%
SJVN Green Energy Ltd. (Incorporated in India on 30.03.2022)	India	Power Generation	100%	-

**iii) Joint Ventures:**

Name of Entity	% of Shareholding/ voting Power			
	Principal Place of Operation / Country of Incorporation	Principal activities	As at March 31, 2022	As at March 31, 2021
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.2.19). 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 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:**

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

\* Executive Director superannuated on 31.12.2021





**b) Transactions with related parties-**

i) Transactions with subsidiaries, Joint Ventures and Key Management Personnel (KMP) are as follows.

(₹ Lakh)

Sr. No.	Particulars	Subsidiary Companies		Joint Venture Companies		Key Management Personnel (KMP) & their relatives	
		F.Y. 21-22	F.Y. 20-21	F.Y. 21-22	F.Y. 20-21	F.Y. 21-22	F.Y. 20-21
<b>A.</b>	<b>Transactions During the Year</b>						
<b>1.</b>	<b>Investment in Share Capital including Share Application Money</b>						
a)	SJVN Arun-3 Power Development Company Pvt. Ltd.	57824	68000				
b)	SJVN Thermal Pvt. Ltd.	36500	115000				
c)	SJVN Green Energy Ltd.	5000	-				
d)	Kholongchhu Hydro Energy Ltd.			5000	2390		
<b>2.</b>	<b>Loans / Advances</b>						
a)	Loan to SJVN Arun-3 Power Development Company Pvt. Ltd.	2500	-				
b)	Advance to SJVN Arun-3 Power Development Company Pvt. Ltd.	7200	-				
c)	Expenditure on behalf of SJVN Green Energy Ltd.	39	-				
d)	Interest on Loan	36	-				
<b>3.</b>	<b>Consultancy Fee Received</b>						
a)	SJVN Arun-3 Power Development Company Pvt. Ltd.	496	544				
<b>4.</b>	<b>Dividend Income</b>						
a)	Cross Border Power Transmission Company Ltd.			139	265		
<b>5.</b>	<b>Sitting Fees to Directors</b>					19	11
<b>6.</b>	<b>Remuneration to relatives of directors</b>					113	80
<b>B.</b>	<b>Outstanding Balances at the year end</b>						
<b>1.</b>	<b>Amount Recoverable</b>						
a)	SJVN Arun-3 Power Development Company Pvt. Ltd.	2828	2710				
b)	SJVN Thermal Pvt. Ltd.	36	180				
c)	SJVN Green Energy Ltd.	39	-				
d)	Kholongchhu Hydro Energy Ltd.			12	117		
<b>2.</b>	<b>Advance Outstanding</b>						
a)	SJVN Arun-3 Power Development Company Pvt. Ltd.	4508	-				
<b>3.</b>	<b>Loan Outstanding including Accrued Interest</b>						
a)	SJVN Arun-3 Power Development Company Pvt. Ltd.	2536	-				

**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.
- 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 31.03.2022	Year ended 31.03.2021
i) Short Term Employee Benefits	500	427
ii) Post Employment Benefits	10	20
iii) Other Long Term Employee Benefits	47	34
<b>Total</b>	<b>557</b>	<b>481</b>

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)	
	31.03.2022	31.03.2021
Loan to KMPs		
Beginning of the Year	91	77
Loans advanced	8	25
Loan repayments received	24	12
Interest charged	4	5
Interest received	6	4
End of the year	73	91

**Note:** Amount recoverable from subsidiaries is ₹ 2903 Lakh (P.Y.: ₹ 2890 Lakh). Recoverable from JV is ₹ 12 Lakh (P.Y.: ₹ 117 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	2021-22	2020-21
1	Nathpa Jhakri Power Corporation Ltd. Employees Provident Fund Trust	Contributions during the year	7577	8241
2	NJPC Ltd. Employee Gratuity Fund	Contributions during the year	597	919
3	SJVN Employees Defined Contribution Pension Fund.	Contributions during the year	187	2269
4	Fund for SJVN PRMS	Contributions during the year	511	1108
5	SJVN Foundation Trust	Contributions during the year	5075	5350

iii) 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	2021-22	2020-21
<b>A. Transactions during the year</b>				
1	BHEL Ltd.	Purchase of spares / services	876	102
2	Indian Oil Corporation Ltd.	Purchase of fuel	105	52
3	POSOCO	RLDC Charges	176	99
4	BSNL	Services	147	101
5	Central Electronics Ltd.	Purchase of material / services	-	582
6	Himachal Tourism	Purchase of material / services	116	98
7	LIC	Insurance Policy	68	148
8	NBCC Ltd.	Purchase of material / services	-	495
9	EdCIL (India) Ltd.	Services	125	-
10	IREDA Ltd.	Services	1186	-
11	Rites Ltd.	Services	83	-
12	Other Entities	Purchase of material / services	523	1015
<b>B. Outstanding Balances</b>				
<b>1. Advance Outstanding</b>				
A	LIC	Central Public Sector Undertaking	64	-
B	BSNL	Central Public Sector Undertaking	-	2
C	Other Entities	Central & State Public Sector Undertakings	1105	694
<b>2. Amount Payable to</b>				
A	BHEL Ltd.	Central Public Sector Undertaking	748	1548
B	POSOCO	Central Public Sector Undertaking	9	8
C	BSNL	Central Public Sector Undertaking	5	34
D	Central Electronics Ltd	Central Public Sector Undertaking	-	7
E	Rites Ltd.	Central Public Sector Undertaking	6	-
F	Other Entities	Central & State Public Sector Undertakings	20	367

a) Individually significant transaction

₹ Lakh

Particulars	Nature of relationship	2021-22	2020-21
<b>Equity Contributions Made</b>			
SJVN Arun-3 Power Development Company Private Limited	Subsidiary company	57824	68000
SJVN Thermal Pvt. Ltd.	Subsidiary company	36500	115000
SJVN Green Energy Ltd.	Subsidiary company	5000	-
Kholongchhu Hydro Energy Ltd.	Joint Venture Company	5000	2390
<b>Dividend Paid during the year</b>			
Govt. Of India	Shareholder having control over company	36499	54160
Govt. Of Himachal Pradesh	Shareholder having control over company	16353	24265
<b>Guarantee Fee on Foreign Currency Loans paid</b>			
Govt. Of India	Shareholder having control over company	1862	2161
<b>Land Acquisition</b>			
Govt. Of Himachal Pradesh	Shareholder having control over company	8399	9000
<b>Compensatory Afforestation</b>			
Govt. Of Himachal Pradesh	Shareholder having control over company	8722	-

## 2.47 Disclosure as per Ind As 27 'Separate financial statements'

### a) Investment in Subsidiary companies

The company's subsidiaries as at 31st March, 2022 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 31.03.2022	As at 31.03.2021
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%
3.	SJVN Green Energy Ltd.	Generation of Power	India	100%	-

**b) Investment in joint venture companies**

The company's interest in joint ventures as at 31st March, 2022 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.

(₹ Lakh)

Name of entity	Place of Business	% of ownership interest	Relationship	Quoted Fair Value		Carrying amount	
				31st March 2022	31st March 2021	31st March 2022	31st March 2021
Kholongchhu Hydro Energy Limited	Bhutan	50	Joint Venture (1)	*	*	24043	19043
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 31.03.2022	Year Ended 31.03.2021
Net Profit after Tax but before Regulatory Income used as numerator (₹ Lakh)	102134	136167
Net Profit after Tax and Regulatory Income used as numerator (₹ Lakh)	97752	163304
Weighted Average number of equity shares used as denominator	3929795175	3929795175
Earnings per Share before Regulatory Income (₹)		
– Basic & Diluted	2.60	3.46
Earnings per Share after Regulatory Income (₹)		
– Basic & Diluted	2.49	4.16
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, 2022

(₹ Lakh)

Particulars	As at April 1, 2021	For the year			As at March 31, 2022
		Additions	Write Back/ Transfer	Utilisation	
Performance Related Pay	6664	4267	-	6664	4267
Interest on Arbitration Awards	41059	2745	306	-	43498
Others	891	-	67	-	824
<b>Total</b>	<b>48614</b>	<b>7012</b>	<b>373</b>	<b>6664</b>	<b>48589</b>

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
<b>Total</b>	<b>20468</b>	<b>33713</b>	<b>-</b>	<b>5567</b>	<b>48614</b>







## 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 31.03.2022	As at 31.03.2021
Capital Works	67076	53638
Land Compensation	2506	2506
Disputed Income Tax Demand including TDS	1048	1246
Guarantees	19500	-
Others	24904	20109
<b>Total</b>	<b>115034</b>	<b>77499</b>

**(i) Capital works**

Contractors have lodged claims aggregating to ₹ 67902 Lakh (P.Y.: ₹ 96852 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.: ₹ 2506 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 including TDS**

During the previous year Income Tax Department had raised a demand of ₹ 1246 lakh for A.Y 2018-19. The company is contesting the case & filed an appeal with CIT (Appeals) and has accordingly deposited ₹ 249 lakh towards disputed income tax demand during the year. There is also a contingent liability amounting to ₹ 51 Lakh towards TDS related demands.

**(iv) Guarantees**

During the year the company has given a corporate guarantee for a loan drawn by SAPDC, a subsidiary company. Amount outstanding as on 31.03.2022 amounting to ₹ 19500 lakh has been shown as contingent liability.

**(v) Others**

Other Contingent liability is mainly in respect of bills discounted with banks against trade receivables amounting to ₹ 24904 (P.Y.: ₹ 20107 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 31.03.2022	Provision against the claims	Contingent liability as on 31.03.2022	Addition of Contingent Liability for the period	Adjustment / Deduction in Contingent Liability for the period	Contingent liability as on 31.03.2021
1.	Capital Works	67902	826	67076	17117	3679	53638
2.	Land Compensation	2506	-	2506	-	-	2506
3.	Income Tax Demand	1048	-	1048	51	249	1246
4.	Guarantee	19500	-	19500	19500	-	-
5.	Others	24904	-	24904	24902	20107	20109
	<b>Total</b>	<b>115860</b>	<b>826</b>	<b>115034</b>	<b>61570</b>	<b>24035</b>	<b>77499</b>

(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 at 31.03.2022	As at 31.03.2021
1) JHC Pertaining of demand of SJVN for recovery of cost in lieu of non returning of dewatering equipment.	-	43
2) Late Payment Surcharge due from beneficiaries	1941	1705
3) Revenue to the extent not recognised in respect of hydro power stations	15145	34741
4) Insurance claims	-	445
5) Compensation from contractors in respect of renewable power projects	14329	12380
6) Interest Recoverable from Contractors	5235	4668
<b>Total</b>	<b>36650</b>	<b>53982</b>

(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 ₹ 1941 lakh as on 31 March 2022 (P.Y.: ₹ 1705 lakh) has not been recognised.

(b) The company has filed a review petition with CERC against the tariff order of RHPS For the period 2014-19. 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 at 31.03.2022	As at 31.03.2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	226396	143547
Other commitments (on account of Repair & Maintenance and Supply of Material etc)	11299	7005
<b>Total</b>	<b>237695</b>	<b>150552</b>

b) The Company has commitments of ₹ 109726 Lakh (P.Y.: ₹ 100487 Lakh) towards further investment in the subsidiary companies as at 31 March 2022.

c) The Company has commitments of ₹ 35957 Lakh (P.Y.: ₹ 40957 Lakh) towards further investment in the joint venture entities as at 31 March 2022.

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 :

Sr.No.	Name of Customer	Revenue from Customers (₹Lakh)		Revenue from customer as a % of total revenue from sales	
		F.Y. 2021-22	F.Y. 2020-21	F.Y. 2021-22	F.Y. 2020-21
1	Govt. of H.P.	59549	64151	24.58	25.75
2	PDD, J&K	28476	32455	11.75	13.03
3	U.P. Power Corporation	45390	46254	18.74	18.57
4	Punjab State Power Corporation Ltd	22033	22891	9.09	9.19
	<b>Total</b>	<b>155448</b>	<b>165751</b>	<b>64.16</b>	<b>66.54</b>

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. 2021-22	F.Y. 2020-21
1	Nepal (Consultancy)	496	544
	<b>Total</b>	<b>496</b>	<b>544</b>





**2.52 Disclosure relating to creation of Regulatory Deferral Accounts as per Ind AS 114:**

- a) 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.
- b) 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.
- c) 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 upto 31.03.2019 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.
- d) During the previous year, company had 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.
- e) Risks associated with future recovery/reversal of regulatory deferral account balances:
  - i) Demand risk due to changes in consumer attitudes, the availability of alternative sources of supply.
  - ii) 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.
  - iii) Other market risks, if any.

The company has created regulatory assets and recognized corresponding regulatory income up to period ended 31.03.2022 as under:

( ₹ Lakh)

Regulatory asset created in relation to:	Up to FY 2020-21	For the year ended 31.03.2022	Total up to 31.03.2022
Exchange rate variation regarded as Borrowing Costs	25151	1542	26693
Employee Benefit expense (Pay- revision w.e.f 01.01.2017)	23772	-	23772
Interest on arbitration award	25782	2559	28341
O&M / Security Expenses recoverable in tariff	11465	(9411)	2054
<b>Total</b>	<b>86170</b>	<b>(5310)</b>	<b>80860</b>

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 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Geographical markets</b>						
India	240868	244807	-	-	240868	244807
Others	-	-	264	544	264	544
	<b>240868</b>	<b>244807</b>	<b>264</b>	<b>544</b>	<b>241132</b>	<b>245351</b>
<b>Timing of revenue recognition</b>						
On transfer of ownership and control of Products and services	240868	244807	264	544	241132	245351
	<b>240868</b>	<b>244807</b>	<b>264</b>	<b>544</b>	<b>241132</b>	<b>245351</b>

## III. Reconciliation of revenue recognised with contract price:

(₹ Lakh)

Particulars	As at 31 March 2022
Contract price	238489
Adjustments for:	
Regulated Power Adjustment-Margin	-
Regulated Power Adjustment – Expenses	-
Advance Against Depreciation	3224
Rebates	(845)
<b>Revenue recognised</b>	<b>240868</b>

## 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 2022		As at 31 March 2021	
	Current	Non-current	Current	Non-current
Trade receivables	57503	-	52296	-
Unbilled revenue	25092	-	25321	-
Amount receivable for late payment surcharge	-	-	33179	-
Advances from customers	392	-	3695	-

The aging schedule of Trade Receivables is as below

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2022					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	15631	18454	23403	15	-	57503

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2021					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	23174	28630	90	-	402	52296

The aging schedule of Unbilled Revenue is as below:

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2022					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled Revenue	23039		2053			25092

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2021					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled Revenue	25321					25321



**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 ₹ 1731 Lakh ( P.Y.: ₹ 2288 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:**

- 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.
- 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

- 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, 2022 on an undiscounted basis are as follows: (₹ Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	760	1009
One to five years	533	887
More than five years	207	213
<b>Total</b>	<b>1500</b>	<b>2109</b>

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 31.03.2022	Year ended 31.03.2021
i)	Consultancy	-	-
ii)	Financing Charges (ECBs)	-	-
iii)	Interest on External Commercial Borrowings (ECBs)	5651	-
iv)	Interest on World Bank Loan.	862	1753
v)	Dividend Paid	-	-
vi)	Other Miscellaneous Matters	580	2678
<b>(B)</b>	<b>Earnings in foreign currency</b>	-	-
<b>(C)</b>	<b>Value of Import calculated on CIF basis</b>		
i)	Capital Goods	564	2575
ii)	Spare Parts	-	63
<b>(D)</b>	<b>Value of components, stores and spare parts consumed</b>		
i)	Imported	47 (2.80%)	1383 (74.10%)
ii)	Indigenous	1632 (97.20%)	483 (25.90%)







**2) Aging Schedule for Trade Payables due for payment:**

a) The aging schedule for trade payable other than unbilled dues is as below:

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	255	-	-	-	255
(ii) Others	1917	2	-	2	1921
(iii) Disputed dues –MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	286	-	-	-	286
(ii) Others	2073	-	-	1	2074
(iii) Disputed dues –MSME					
(iv) Disputed dues – Others					

b) The aging schedule for unbilled dues in trade payables is as below :

(₹ Lakh)

Particulars	Outstanding for following periods from due date of transaction as on 31.03.2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	436	7	2	-	445
(ii) Others	1046	31	7	11	1095
(iii) Disputed dues –MSME					
(iv) Disputed dues – Others					

(₹ Lakh)

Particulars	Outstanding for following periods from due date of transaction as on 31.03.2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME*	352	4	-	-	356
(ii) Others	1464	42	-	11	1517
(iii) Disputed dues –MSME					
(iv) Disputed dues – Others					

\*There is no default in the payment of MSME creditors as the invoice from the vendors has not been received.

**3) Title deeds of immovable property not held in the name of the Company**

The details of the immovable property (other than properties where the company is a lessee) whose title deeds are not held in the name of the company as on 31.03.2022 is as below:

Sr. No.	Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value (₹ Lakhs)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relatives of promoter / director of employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
1	PPE	Buildings-Freehold	5	HPSEB Ltd.	-	01.08.1991	Transferor has not executed the conveyance deed.

The details of the immovable property (other than properties where the company is a lessee) whose title deeds are not held in the name of the company as on 31.03.2021 is as below:

Sr. No.	Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value (₹ Lakhs)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relatives of promoter / director of employee of promoter/director	Property held since which date	Reason for not being held in the name of the Company
1	PPE	Buildings-Freehold	5	HPSEB Ltd.	-	01.08.1991	Transferor has not executed the conveyance deed.

**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 2022	31 March 2021	31 March 2022	31 March 2021
SJVN Arun-3 Power Development Company Pvt. Ltd	2828	2710	5210	17693
SJVN Thermal Pvt. Ltd.	36	180	180	1284
SJVN Green Energy Ltd.	39	-	39	-





## 2. To Joint Venture Companies

(₹ Lakh)

Name of the Company	Outstanding balance as at		Maximum amount outstanding during the year ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Kholongchhu Hydro Energy Ltd.	12	117	117	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 2022 as required by Micro, Small and Medium Enterprises Development Act, 2006.

(₹ Lakh)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
a) Amount remaining unpaid to any supplier:		
Principal amount	782	1029
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 &amp; sold :

## a) Hydro Power:-

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	1912	1912
iii)	Actual Generation (Million Units)	9048.57	9094.26

## b) Wind/Solar Power:-

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	102.60	102.60
iii)	Actual Generation (Million Units)	158.50	129.23

## 2.60 Payment to Auditors includes:

(₹ Lakh)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
As Auditors		
- Statutory Audit	13	16
- Tax Audit	3	4
- Limited Review	6	10
For other services (Certificates etc.)	2	4
Reimbursement of Expenses	3	2
Reimbursement of GST	4	6
<b>Total</b>	<b>31</b>	<b>42*</b>

\* Includes amount of ₹ 7 lakh pertaining to previous year





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

PARTICULARS	CURRENCY	As at 31.03.2022	As at 31.03.2021
Borrowings, including Interest Accrued but not due thereon.	USD	379981	169486

**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 ₹ 3947 lakh [(2% of Average Profit Before Tax of immediately previous three years (P.Y ₹ 3600 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 ₹ 5075 lakh (P.Y: ₹ 5350 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)

S.N.	Activities	As at 31st March, 2022	As at 31st March, 2021
1	Health and hygiene	1194	771
2	Education and Skill Development	553	382
3	Promotion of Gender Equality, Empowering women etc	159	23
4	Sustainable Development	527	70
5	Protection of national heritage, art and culture etc	985	351
6	Benefits of armed forces veterarans ,war widows and their dependants	14	3
7	Preservation and promotion of culture, Melas, Sports etc.	34	18
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	991	522
11	Slum Area Development	7	5
12	Assistance to the victims natural disasters/ calamities	345	682
13	Miscellaneous CSR activities& Administrative Exp.	358	419
	<b>Total</b>	<b>5167</b>	<b>5286</b>

b) (i) Amount spent during the year ended 31st March 2022.

( ₹ Lakh)

Particulars	In cash	Yet to be paid in cash	Amount
a) Construction/Acquisition of any Asset	1925	59	1984
b) On Purpose other than (a) above	3173	10	3183

(ii) 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

**2.63 Ratios**

The following are analytical ratios for the Year ended 31st March 2022 and 31st March 2021.

( ₹ Lakh)

Sr. No.	Particulars	Numerator	Denominator	31st March 2022	31st March 2021	Variance
1	Current Ratio	Current Assets	Current Liabilities	2.05	1.75	17.21%
2	Debt-Equity Ratio	Paid up debt capital	Shareholders Equity	0.42	0.17	150.23%*
3	Debt-Service Coverage Ratio	Profit before tax + interest + depreciation + exceptional items	Interest + Scheduled principal repayments of long term borrowings during the year	5.26	8.61	(38.88%)#
4	Return on Equity Ratio	Net profit for the year	Average Shareholders Equity	7.55%	13.17%	(42.67%)#
5	Inventory Turnover Ratio	Revenue From Operations	Average Inventory	40.77	47.16	(13.54%)
6	Trade Receivables Turnover Ratio	Revenue From Operations	Average Trade Receivables	4.41	3.93	12.33%
7	Trade payables Turnover Ratio	Other Expenses Less CSR expenses	Average Trade Payables	8.88	8.45	5.08%
8	Net Capital turnover ratio	Revenue From Operations	Net Working Capital	1.15	2.40	(52.19%)*
9	Net profit ratio	Profit for the year	Revenue From Operations	40.36%	65.56%	(38.44%)#
10	Return on Capital Employed	Earning Before Interest, Tax and Exceptional Items	Shareholders Equity + Paid up Debt Capital	7.78%	14.65%	(46.86%)*#





\* The company has raised short term and long term borrowings during the year to finance the capex and working capital requirements.

# In the previous year Late payment surcharge from beneficiaries was recognised after amended Regulation 59 of CERC Regulations,2019. Accordingly profit for previous year was comparatively higher.

**2.64** Company is mainly engaged in the business of generation of electricity and the tariff of power generation are regulated in terms of CERC Tariff Regulations. Due to the various steps taken by the company, there has been no significant impact of the COVID-19 on the generation of electricity / construction activities undertaken by the company.

**2.65** 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 Balance Sheet and Statement of Profit and Loss.

**For APT & Co LLP**

Chartered Accountants  
FRN-014621C/N500088

**(Avinash Gupta)**

Partner  
M.No. 513349  
UDIN: 22513349AJTOSV3876

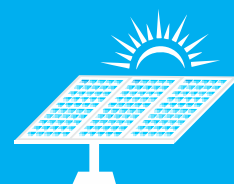
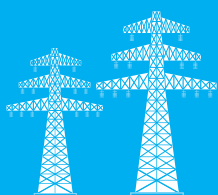
**Place: Shimla / New Delhi**

**Date: May 25, 2022**





# CONSOLIDATED FINANCIAL STATEMENTS









**REVISED INDEPENDENT AUDITOR'S REPORT**

Annexure-XIII

**To The Members of SJVN Limited**  
**Report on the Audit of the Consolidated Financial Statements**  
 This report is in supersession to our earlier Report dated May 25, 2022. The report is revised w.r.t. clerical / non-material errors, based on audit observations raised by C&AG Audit during the course of supplementary Audit. There is no change in opinion as given in our earlier report dated May 25, 2022.

**Opinion**

We have audited the accompanying consolidated financial statements of SJVN Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of 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 Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing 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 (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by 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 on the consolidated financial statements.

**Emphasis of Matter:**

We draw attention to the following matters:

- a. Note No. 2.33 and 2.55 (V) to the consolidated financial statements in respect of billing and accounting of sales on the basis of approved tariff subject to Truing Up by CERC.
- b. Note No. 2.67 to the consolidated financial statements which describes the assessment of Impact of Covid-19 pandemic by the management on the business and its associated financial risks.
- c. Note No. 2.59 to the consolidated financial statements regarding certain balances which are subject to reconciliation / confirmation and consequential adjustments.
- d. Note No. 2.2 (a) with respect to the Devasari Hydro Electric Project which has been put on hold as per directions of Ministry of Power, GOI dated July 6, 2021.

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 other auditor of the component whose report is furnished to us by the management have not given any key audit matter in his report.

S. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	<p><b>Contingent Liabilities and provisions:</b></p> <p>There are 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 judgement in interpreting the cases and it may be subject to management bias.</p> <p>(Refer Note No. 2.51 to the Consolidated Financial Statements, read with the Accounting Policy No. 1.18)</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"> <li>- understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases;</li> <li>- discussed with the management any material developments and latest status of legal matters;</li> <li>- examined management's judgements and assessments whether provisions are required;</li> <li>- considered the management assessments of those matters that are not disclosed as the probability of material outflow is considered to be remote;</li> <li>- reviewed the adequacy and completeness of disclosures;</li> </ul> <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><b>Property, Plant &amp; Equipment:</b></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 capitalize 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</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. 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</p>





S. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
	Statements, read with the Significant Accounting Policy No. 1.4)	assets as per the technical assessment of the management. 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.
3	<b>Capital work-in-progress (CWIP):</b> 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. (Refer Note No. 2.2 to the Consolidated Financial Statements, read with the Significant Accounting Policy No. 1.5)	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. when it is ready for the intended use. 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. We assessed the timeliness and accuracy of capitalisation of assets when it is ready for the intended use.
4	<b>Deferred Tax Asset relating to MAT Credit Entitlement:</b> 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. We identified this as a key audit matter because 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 the provisions of the Income Tax Act, 1961. (Refer Note 2.44)	We have obtained an understanding for recognition of deferred tax asset relating to MAT credit entitlement. We have reviewed the estimate of management regarding future taxable profits and reasonableness of the considerations /assumptions used for the same. Based on the above procedures performed, the recognition and measurement of Deferred tax asset relating to MAT credit entitlement are considered adequate and reasonable.

**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 2022, 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.

Rs. in Lakh			
Name of the Company	Assets	Revenues	Net Cash Flows
<b>Subsidiaries:</b>			
SJVN Thermal Private Limited	251165	39	(2310)

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 disclosure included in respect of this subsidiary, and our report in terms of subsection (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 other auditor.

(b) (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 2022, 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.

Rs. in Lakh			
Name of the Company	Assets	Revenues	Net Cash Flows
SJVN Arun-III Power Development Company Private Limited	216483	1580	(2202)
SJVN Green Energy Limited	-	(39)	-

(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 2022 to the extent to which they are reflected in consolidated financial statements.

Rs. in 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	449	-	449
Kholongchhu Hydro Energy Limited	-	-	-

These financial statements / financial information as referred in (b) (i) and (b) (ii) above 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 disclosure included in respect of this subsidiary or jointly controlled companies, and our report in terms of subsection (3) of section 143 of the Act, in so far as it 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 Management Discussion and Analysis, Board’s Report including Annexure to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the consolidated financial statements and our auditor’s report thereon.

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 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 and, in doing so, consider whether the other information is materially inconsistent with the consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, 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.

**Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Group in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 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 consolidated 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 Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the 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 Company’s financial reporting process of the Group and of its associates and jointly controlled entities.

**Auditor’s Responsibilities 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 consolidated 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group 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 Group’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 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.

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

We communicate with those charged with governance regarding 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 we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - b) In our opinion proper books of account as required 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 accounts 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 specified under Section 133 of the Act read with relevant rules issued thereunder.
  - e) In view of exemptions given vide Notification No. G.S.R. 463(E) dated 5th June 2015 issued by 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 our separate report in **Annexure "A"**
  - g) As per Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, the provisions of Section 197 of the Companies Act, 2013 is not applicable to the Government Companies. Accordingly, reporting in accordance with requirements 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements has discloses the impact of pending litigations on the Consolidated Financial position of the Group, its associates and jointly controlled entities- Refer Note

- No. 2.51 to the consolidated financial statements;
- ii. The company has made provision in 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 subsidiaries, associate companies and jointly controlled companies incorporated in India.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the Holding Company or its subsidiary companies incorporated in India to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
  - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
  - (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the above representations given by the management contain any material mis-statement.
- v. The dividend declared or paid during the year by the Holding Company and its subsidiaries incorporated in India are in compliance of section 123 of the Act.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For APT & Co LLP**  
**Chartered Accountants**  
**FRN: 014621C/N500088**

**(Avinash Gupta)**  
**Partner**

**Membership No 513349**  
**UDIN: 22513349ANPWIW7049**

**Place: New Delhi**  
**Date: 26-07-2022**







## Annexure “A” to the Independent Auditors’ Report on the Consolidated Financial Statements of SJVN Limited for the year ended March 31, 2022

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**  
(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

### Opinion

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2022, 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, 2022, 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) It has been 3 years of implementation of SAP in SJVN. But, still there are few areas where calculations are carried out manually. The details are as under:-
- Calculation of PRP,
  - Calculation of Rebate,
  - Calculation of Late Payment Surcharge,
  - Bank Reconciliation Statement
  - Issue of Purchase Order

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, in so far as it relates to one subsidiary companies 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 control with reference to Consolidated Financial Statements in so far as it relates to two joint ventures and one subsidiary incorporated in India, whose financial statements/ financial information are unaudited and our opinion on the adequacy and operating effectiveness of the internal financial control 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 disclosure 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 and Board of Directors’ Responsibilities 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 Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, 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 an understanding of internal financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting 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 detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For APT & Co LLP**  
**Chartered Accountants**  
**FRN: 014621C/N500088**



**CA Avinash Gupta**  
**M. No.513349**

**Date: 26-07-2022**  
**Place: New Delhi**

**UDIN: 22513349ANPW1W7049**



**Board's reply on Statutory Auditors' Observations on Internal Financial Control- Annexure-A to the Auditors, Report. (Consolidated Financial Statements)**

Auditors' Observations	Board's Reply
<p>It has been 3 years of implementation of SAP in SJVN. But, still there are few areas where calculations are carried out manually. The details are as under: -</p> <ul style="list-style-type: none"> <li>• Calculation of PRP,</li> <li>• Calculation of Rebate,</li> <li>• Calculation of Late Payment Surcharge,</li> <li>• Bank Reconciliation Statement,</li> <li>• Issue of Purchase Order</li> </ul> <p>We believe this should be rooted through SAP in order to increase reliability on the same.</p>	<p>The process for Calculation of PRP, Late Payment Surcharge (Hydro Power Stations), Bank Reconciliation Statement and Issue of Purchase Order through SAP has been implemented. Calculation of Rebate and Late Payment Surcharge of Renewal Projects through SAP is in progress and will be implemented during the year.</p>

For and on behalf of Board of Directors

(Nand Lal Sharma)

Chairman and Managing Director

DIN: 03495554

Date : 12.08.2022

Place : Shimla

**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 2022**

The preparation of consolidated financial statements of SJVN Limited for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with section 129(4) of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated July 26, 2022 which supersedes their earlier Audit Report dated May 25, 2022.

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 2022 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 and SJVN Thermal Private 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 private entities/ entities incorporated in foreign countries under the respective laws, for appointment of their Statutory Auditors 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.

In view of the revision(s) made in the statutory auditor's report, to give effect to some of my audit observations raised during supplementary audit, I have no further comments to offer upon or supplement to the statutory auditor's report under section 143(6)(b) of the Act.

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

(D.K. Sekar)

Director General of Audit (Energy), Delhi

Place: New Delhi

Dated: 29.07.2022

**Name of the subsidiaries / JVs / Associate 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 Green Energy Limited	Subsidiary
2	Cross Border Power Transmission Company Limited	Joint Venture






**CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022**


(₹ Lakh)

	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non - current assets</b>			
Property, plant and equipment	2.1	784400	797917
Capital work-in-progress	2.2	836905	429338
Intangible Assets	2.3	2150	2786
Intangible assets under development	2.4	41	489
Investments accounted for using Equity Method	2.5	27342	22032
<b>Financial Assets</b>			
Investments	2.6	175	175
Loans	2.7	9684	7958
Other financial assets	2.8	18946	4216
Deferred tax assets (net)	2.9	52971	62272
Other non-current assets	2.10	98835	54119
<b>Total non - current assets</b>		<b>1831449</b>	<b>1381302</b>
<b>Current assets</b>			
Inventories	2.11	6266	5615
<b>Financial assets</b>			
Trade receivables	2.12	57503	52191
Cash and cash equivalents	2.13	2929	9777
Bank balance other than cash and cash equivalents	2.14	287274	120817
Loans	2.15	2263	2171
Other financial assets	2.16	40889	71703
Other current assets	2.17	13804	17583
<b>Total current assets</b>		<b>410928</b>	<b>279857</b>
Assets held-for-sale	2.18	1607	-
Regulatory deferral account debit balance	2.19	80860	86170
<b>TOTAL ASSETS</b>		<b>2324844</b>	<b>1747329</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	2.20	392980	392980
Other Equity	2.21	924054	886149
<b>Total Equity</b>		<b>1317034</b>	<b>1279129</b>
<b>Liabilities</b>			
<b>Non - current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	2.22	617016	185568
Lease liabilities	2.23	588	971
Other financial liabilities	2.24	38051	10290
Provisions	2.25	16734	15758
Deferred Tax Liabilities (net)			
Other non - current liabilities	2.26	72939	75199
<b>Total non-current liabilities</b>		<b>745328</b>	<b>287786</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	2.27	72359	29918
Lease liabilities	2.28	652	906
Trade payables			
Total outstanding dues of micro and small enterprises	2.29	700	642
Total outstanding dues of creditors other than micro and small enterprises	2.29	3016	3889
Other financial liabilities	2.30	130091	85766
Other current liabilities	2.31	5398	8887
Provisions	2.32	50266	50406
<b>Total current liabilities</b>		<b>262482</b>	<b>180414</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2324844</b>	<b>1747329</b>

The accompanying notes from 2.1 to 2.68 form an integral part of the consolidated financial statements.


For and on behalf of the Board of Directors

  
**(Soumendra Das)**  
 Company Secretary  
 FCS-4833

  
**(Akhleshwar Singh)**  
 Director(Finance) cum CFO  
 DIN:08627576

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

As per our report of even date  
**For APT & Co LLP**  
 Chartered Accountants  
 FRN-014621C/N500088

  
**(Avinash Gupta)**  
 Partner  
 M.No. 513349  
 UDIN: 22513349AJTPFV5085  
 Place: Shimla / New Delhi  
 Date : May 25, 2022

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

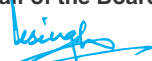
(₹ Lakh)

	Note No.	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Income</b>			
Revenue from Operations	2.33	241700	248539
Other Income	2.34	21778	73745
<b>Total Income</b>		<b>263478</b>	<b>322284</b>
<b>Expenses</b>			
Employee Benefits Expense	2.35	29062	31722
Finance Costs	2.36	16134	(285)
Depreciation and Amortization Expense	2.37	40429	39327
Other Expenses	2.38	39994	36929
<b>Total Expenses</b>		<b>125619</b>	<b>107693</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>137859</b>	<b>214591</b>
Exceptional Items	2.39	2326	29344
<b>Profit before share in net profit of joint venture / associates, net movement in regulatory deferral account balance and tax</b>		<b>135533</b>	<b>185247</b>
Share in Profit of Joint Venture / Associates		449	394
<b>Profit before net movement in regulatory deferral account balance and tax</b>		<b>135982</b>	<b>185641</b>
Tax Expenses:			
- Current Tax		23286	32012
-Adjustments relating to earlier years		33	4
-Deferred Tax	2.9	9301	16191
<b>Profit before regulatory deferral account balances</b>		<b>103362</b>	<b>137434</b>
Net movement in regulatory deferral account balances (net of tax)	2.40	(4382)	27138
<b>Profit for the year</b>		<b>98980</b>	<b>164572</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified subsequently to profit or loss			
-Remeasurement of the net defined benefit liability/asset		(197)	(255)
-Income tax on above item		34	89
<b>Total</b>		<b>(163)</b>	<b>(166)</b>
<b>Total Comprehensive Income for the period</b>		<b>98817</b>	<b>164406</b>
<b>Earnings Per Equity Share (excluding net movement in regulatory deferral account balance)</b>			
Basic and Diluted (₹)		2.63	3.50
<b>Earnings Per Equity Share (including net movement in regulatory deferral account balance)</b>			
Basic and Diluted (₹)		2.52	4.19
Weighted average equity shares used in computing earnings per equity share		3929795175	3929795175

The accompanying notes from 2.1 to 2.68 form an integral part of the consolidated 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

As per our report of even date

**For APT & Co LLP**  
Chartered Accountants  
FRN-014621C/N500088



(Avinash Gupta)  
Partner  
M.No. 513349  
UDIN: 22513349AJTPFV5085

Place: Shimla / New Delhi  
Date : May 25, 2022





**CONSOLIDATED STATEMENT OF CASH FLOWS**  
For the Year Ended March 31, 2022

(₹ Lakh)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Cash flow from operating activities</b>		
Profit before tax	135982	185630
Add: Net movement in regulatory deferral account balances (net of tax)	(4382)	27138
Add: Tax on net movement in regulatory deferral account balances	(928)	5745
<b>Profit before tax including movement in regulatory deferral account balances</b>	<b>130672</b>	<b>218513</b>
<b>Adjustment for:</b>		
Depreciation and amortization	40429	39327
Interest on term deposits/ Contractors	(11231)	(13131)
Share in profit of Joint Venture	(449)	(383)
Finance cost	16134	(285)
Loss on disposal/ write off of fixed assets	362	2257
Profit on sale of fixed assets	(34)	(1)
	45211	27784
<b>Adjustment for assets and liabilities</b>		
Inventories	(651)	(664)
Trade receivable and unbilled revenue	(22861)	11696
Loans, other financial assets and other assets	27982	(40653)
Trade payable	(518)	269
Other financial liabilities and other liabilities	64354	15072
Regulatory deferral account debit balance	5310	(32883)
Provisions	789	29243
	74405	(17920)
<b>Cash generated from operating activities</b>	<b>250288</b>	<b>228377</b>
Income tax paid	(36515)	(30112)
<b>Net cash generated by operating activities</b>	<b>213773</b>	<b>198265</b>
<b>Cash flow from investing activities:</b>		
Net expenditure on Property, Plant & Equipment and CWIP including advances for capital works	(442779)	(206572)
Term deposits with bank (having maturity more than three months)	(173263)	77375
Interest on term deposits	8046	17036
Dividend from Joint Venture	139	265
Investment in joint ventures	(5310)	(2390)
Investment in other companies	-	(175)
<b>Net cash used in investing activities</b>	<b>(613167)</b>	<b>(114461)</b>
<b>Cash flow from financing activities:</b>		
Repayment of borrowings	(31578)	(23874)
Proceed from borrowings	471162	18301
Payment of lease liabilities	(637)	(574)
Interest and finance charges	(10957)	(13979)
Dividend Paid	(61054)	(90369)
<b>Cash used in financing activities</b>	<b>366936</b>	<b>(110495)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(32458)</b>	<b>(26691)</b>
<b>Opening balance of cash &amp; cash equivalents (refer note 1 and 2 below)</b>	<b>4559</b>	<b>31250</b>
<b>Closing balance of cash &amp; cash equivalents (refer note 1 and 2 below)</b>	<b>(27899)</b>	<b>4559</b>
<b>Restricted cash balance</b>		
Earmarked Balance (Unpaid Dividend)	140	282
Margin Money for BG/ Letter of Credit and Pledged deposits	73702	35514
<b>Total</b>	<b>73842</b>	<b>35796</b>

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

- Cash and Cash equivalents consist of Cash in hand, cheques/drafts in hand, Bank Balances including Short Term Deposits having original maturity upto three months and bank overdraft.
- Reconciliation of Cash and Cash Equivalents:

Cash and Cash equivalents as per note 2.13	2929	9777
Bank overdraft as per note 2.27	(30828)	(5218)
Cash & Cash Equivalents as per statement of cash flows	(27899)	4559







**3. Net Debt Reconciliation**

(₹ Lakh)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Cash & Cash Equivalents	(27899)	4559
Borrowings including accrued interest	(662105)	(210622)
<b>Net Debt</b>	<b>(690004)</b>	<b>(206063)</b>

(₹ Lakh)

Particulars	Cash & Cash Equivalents	Borrowings (Non-current/ Current) Including Interest Accrued	Total
Net Debt as at April 1, 2021	4559	(210622)	(206063)
Cash Flows	(32458)	(439584)	(472042)
Foreign Exchange adjustments	-	(8696)	(8696)
Interest Expenses	-	(2945)	(2945)
Interest Paid	-	(258)	(258)
<b>Net Debt as at March 31, 2022</b>	<b>(27899)</b>	<b>(662105)</b>	<b>(690004)</b>

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

As per our report of even date

**For APT & Co LLP**  
Chartered Accountants  
FRN-014621C/N500088

**(Avinash Gupta)**  
Partner  
M.No. 513349  
UDIN: 22513349AJTPFV5085

**Place: Shimla / New Delhi**  
**Date : May 25, 2022**





**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022**

**A. Equity Share Capital**

**For the Year Ended March 31, 2022**

Particulars	Amount (₹ Lakh)
<b>Opening Balance as at April 1,2021</b>	<b>392980</b>
Equity Shares issued during the year	-
Equity Shares bought back during the year	-
<b>Closing Balance as at March 31, 2022</b>	<b>392980</b>

**For the Year Ended March 31, 2021**

Particulars	Amount (₹ Lakh)
<b>Opening Balance as at April 1,2020</b>	<b>392980</b>
Equity Shares issued during the year	-
Equity Shares bought back during the year	-
<b>Closing Balance as at March 31, 2021</b>	<b>392980</b>

**B. Other Equity**

**For the Year Ended March 31, 2022**


Particulars	Reserves and Surplus			Total Other Equity
	Capital Redemption Reserve	Securities Premium	Retained Earnings	
<b>Opening Balance as at April 1,2021</b>	20683	-	865466	886149
Profit for the Period			98980	98980
Other Comprehensive Income			(163)	(163)
<b>Total Comprehensive Income</b>			<b>98817</b>	<b>98817</b>
Dividends				
Final Dividend Paid for 2020-21			(15719)	(15719)
Interim Dividend Paid for 2021-22			(45193)	(45193)
<b>Closing Balance as at March 31, 2022</b>	<b>20683</b>	<b>-</b>	<b>903371</b>	<b>924054</b>

**For the Year Ended March 31, 2021**

Particulars	Reserves and Surplus			Total Other Equity
	Capital Redemption Reserve	Securities Premium	Retained Earnings	
<b>Opening Balance as at April 1,2020</b>	20683	-	791445	812128
Profit for the Period			164572	164572
Other Comprehensive Income			(166)	(166)
<b>Total Comprehensive Income</b>			<b>164406</b>	<b>164406</b>
Dividends				
Final Dividend Paid for 2019-20			(19649)	(19649)
Interim Dividend Paid for 2020-21			(70736)	(70736)
<b>Closing Balance as at March 31, 2021</b>	<b>20683</b>	<b>-</b>	<b>865466</b>	<b>886149</b>

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

As per our report of even date

**For APT & Co LLP**  
Chartered Accountants  
FRN-014621C/N500088



**(Avinash Gupta)**  
Partner  
M.No. 513349  
UDIN: 22513349AJTPFV5085

**Place: Shimla / New Delhi**  
**Date : May 25, 2022**



**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 May 25, 2022.

**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 Non-Current Assets Held for Sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable.

Assets and disposal group identified/ approved for sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortized.

#### 1.7 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.

#### 1.8 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.

#### 1.9 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.

#### 1.10 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.

#### 1.11 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.

**1.12 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.

**1.13 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:**

- i) 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.
- ii) 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:**

- i) 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.
- ii) 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.

**1.14 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.

**1.15 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 1.9 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 1.17 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.

**1.16 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.

**1.17 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.

**1.18 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.
- 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 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

### 1.20 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.

**1.21 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. 1.21(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. 1.21(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 incurrance of such expenditure.

**1.22 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.

**1.23 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.

**1.24 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.

**1.25 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”

**1.26 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.

**1.27 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.

**1.28 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, 2022

Sl.No.	Particulars	Gross Block			Depreciation			Net Block		
		As at April 1, 2021	Additions during the year	Deductions/ Adjustments	As at March 31, 2022	As at April 1, 2021	For the year	Deduction	As at March 31, 2022	As at March 31, 2022
1	Land	72143	4728	670	76201	-	-	-	76201	-
	Freehold (including development expenses) (refer footnote (a) and (g) below)	1948	1010	23	2935	200	24	254	2681	-
2	Buildings	137981	4482	1296	141167	25633	53	30167	111000	111000
	Freehold (refer footnote (b) & (c) below)	19108	262	88	19282	2348	64	3336	15946	15946
	Right of use	6639	857	-	7496	1448	218	1666	5830	5830
3	Roads and Bridges	2558	274	4	2828	608	115	720	2108	2108
4	Plant and Machinery	298576	1966	130	300412	87340	24	100495	199917	199917
5	Generating Plant and Machinery (refer footnote (d) below)	531556	1551	-	533107	165720	18999	184719	348388	348388
6	Hydraulic Works(Dams, Tunnel, etc.)	699	274	18	955	244	60	289	666	666
7	Vehicles	2508	379	334	2553	1489	542	1699	854	854
	Owned	2990	224	27	3187	729	193	913	2274	2274
8	Furniture, Fixture and Equipments	4026	237	1	4262	964	185	1149	3113	3113
9	Electrical Works	825	265	40	1050	208	24	231	819	819
10	Electrical Equipments	3980	328	103	4205	1178	265	1432	2773	2773
11	Office Equipments	1500	301	48	1753	1011	308	1275	478	478
12	Data processing Equipments	-	11352	-	11352	-	-	-	11352	-
13	Right of use- Solar Park (refer footnote (f) below)	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>1087037</b>	<b>28490</b>	<b>2782</b>	<b>1112745</b>	<b>289120</b>	<b>39805</b>	<b>580</b>	<b>328345</b>	<b>784400</b>

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	62388	9755	-	72143	-	-	-	72143	-
	Freehold (including development expenses) (refer footnote (a) & (g) below)	1701	247	-	1948	136	64	200	1748	-
2	Buildings	119262	18854	135	137981	21178	4455	25633	112348	112348
	Freehold (refer footnote (b) & (c) below)	18411	746	49	19108	1377	1020	2348	16761	16761
	Right of use	6639	-	-	6639	1241	207	1448	5191	5191
3	Roads and Bridges	2137	428	7	2558	512	99	608	1950	1950
4	Plant and Machinery	298956	3206	3586	298576	75522	13145	1327	87340	211236
5	Generating Plant and Machinery (refer footnote (d) below)	530737	843	24	531556	146504	19223	7	165720	365836
6	Hydraulic Works(Dams, Tunnel, etc.)	655	66	22	699	201	52	244	455	455
7	Vehicles	2475	639	606	2508	898	709	118	1489	1019
	Owned	2739	251	-	2990	549	180	729	2261	2261
8	Furniture, Fixture and Equipments	3941	85	-	4026	788	176	964	3062	3062
9	Electrical Works	710	126	11	825	179	40	208	617	617
10	Electrical Equipments	3843	219	82	3980	966	276	1178	2802	2802
11	Office Equipments	1249	334	83	1500	822	271	1011	489	489
12	Data processing Equipments	-	-	-	-	-	-	-	-	-
13	Right of use- Solar Park	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>1055843</b>	<b>35799</b>	<b>4605</b>	<b>1087037</b>	<b>250873</b>	<b>39917</b>	<b>1670</b>	<b>289120</b>	<b>797917</b>

- (a) Possession of freehold land measuring 0-05-22 hectare (P.Y.: 00-05-22 hectare) is still to be handed over to the Company.
- (b) 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.
- (c) Includes Nil (P.Y.: ₹ 16606 lakh) capitalised during the year on account of provision made on the basis of arbitration award
- (d) Information regarding property, plant and equipment pledged as security by the Company has been given in the note no. 2.22
- (e) Detail of immovable property whose title deeds are not held in the name of the company is given in the note no. 2.57
- (f) Possession of ROU-Solar Park having value amounting to ₹ 7095 lakh (P.Y. Nil) is still to be handed over to the company
- (g) Land measuring 7.075 acres (P.Y.: 7.075 acres) is not in possession of the group and has not been mutated.





**2.1 (a) Deductions/ Adjustments from gross block and depreciation for the year includes:**

Particulars	Gross Block		Depreciation	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Disposal of assets	388	128	75	66
Retirement of assets	56	3775	49	1394
Writeback of excess capitalisation	185	-	58	-
Assets classified as held for sale	1618	-	11	-
Others	535	702	387	210
<b>Total</b>	<b>2782</b>	<b>4605</b>	<b>580</b>	<b>1670</b>

Assets classified as held for sale includes land and buildings which are underutilised and not yielded the appropriate returns have been transferred from Property, plant & equipments and classified as held for sale. The process of sale of these assets is under process and likely to be completed within next twelve months. (Refer note no. 2.17)

Others Includes:

- 1) Decapitalisation of land during the year measuring 16-18-02 hectare amounting to ₹137 lakh (P.Y. Nil) taken over by Govt. of Himachal Pradesh in the year 2017 which was lying unused/vacant out of the land acquired for the construction of Nathpa Jhakri Hydro Power Project.
- 2) Decapitalisation of land measuring 03-20-82 hectare amounting to ₹ 27 lakh (P.Y. Nil) given to landless families under rehabilitation and resettlement plan of Nathpa Jhakri Hydro Power Project. Possession of the land has already been given to landless families. however, the mutation of the same in the name of the landless families is under process.

**2.2 Capital Work-in-progress**

As at March 31, 2022

Sl. No.	Particulars	As at April 1, 2021	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2022	Capitalised during the year	As at March 31, 2022
1	Building	6585	6509	1067	12027	3666	8361
2	Civil Works	85314	91021	(1349)	177684	1546	176138
3	Roads, Bridges & Culverts	23787	2565	(1158)	27510	856	26654
4	Plant and Machinery	134795	201098	5472	330421	293	330128
5	Electrical Works	1782	188	(2)	1972	232	1740
6	Electro Mechanical Works	8663	33073	(1754)	43490	1888	41602
7	Preliminary	39248	6000	14047	31201	-	31201
8	Expenditure on Compensatory Afforestation/CAT Plan	17698	10015	-	27713	-	27713
9	Expenditure Attributable to Construction (Note 2.2.1)	107355	35246	2201	140400	-	140400
10	Railway siding	4111	2005	2	6114	-	6114
11	Sub-station	-	7660	-	7660	-	7660
12	Transmission Lines	-	27331	(11863)	39194	-	39194
	<b>Total</b>	<b>429338</b>	<b>422711</b>	<b>6663</b>	<b>845386</b>	<b>8481</b>	<b>836905</b>

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
	<b>Total</b>	<b>223321</b>	<b>231525</b>	<b>132</b>	<b>454714</b>	<b>25376</b>	<b>429338</b>



**2.2 (a) Capital-Work-in Progress (CWIP) aging schedule  
As at March 31, 2022**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	422711	214026	109562	71793	818092
Projects temporarily suspended	1029	697	1505	15582	18813
<b>Total</b>	<b>423740</b>	<b>214723</b>	<b>111067</b>	<b>87375</b>	<b>836905</b>

Devsari Hydro Electric Project located in the State of Uttarakhand, survey and investigation work of the which has been put on hold as per the direction of the Ministry of Power, Govt. of India vide letter dated July 06, 2021, the CWIP of same has been shown under the projects temporarily suspended.

**As at March 31, 2021**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	214026	109562	63520	42230	429338
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>214026</b>	<b>109562</b>	<b>63520</b>	<b>42230</b>	<b>429338</b>

**2.2 (b) Capital-Work-in Progress (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan:**

**As at March 31, 2022**

CWIP	To be completed in		
	Less than 1 year	1-2 years	2-3 years
Natwar Mori Hydro Electric Project	73704	-	-
<b>Total</b>	<b>73704</b>	<b>-</b>	<b>-</b>

**As at March 31, 2021**

CWIP	To be completed in		
	Less than 1 year	1-2 years	2-3 years
	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>




**2.2.1 Expenditure Attributable to Construction**

(₹ Lakh)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Employee Benefit Expenses:</b>		
Salaries, Wages, Allowances and Benefits	14138	12256
Contribution to Provident and Other Funds	1725	1084
Leave Salary and Pension Contribution *	25	14
Welfare Expenses	2897	2414
	18785	15768
<b>Repair and Maintenance:</b>		
Buildings	112	51
Roads	358	-
Plant & Machinery	24	4
Office Equipments & Furnitures	8	8
Vehicles	33	20
Others	455	275
	990	358
<b>Other Expenses:</b>		
Rent		103
Rates & Taxes		5
Insurance		22
Security Expenses		645
Electricity Charges	468	239
Less:- Recovered from Employees & Contractors	-	-
	468	239
Travelling & Conveyance		231
Training and Recruitment Expenses	330	90
Less:- Cost of Application Forms Received	-	37
	330	37
Legal Expenses		26
Professional and Consultancy Charges		1445
Communication Expenses		319
Printing & Stationery		129
Advertisement & Publicity		143
EDP Expenses		196
Hiring of Vehicles		817
Entertainment Expenses		41
Expenses on Transit Camps		288
Books & Periodicals		8
Stores Written Off		-
Loss on Disposal/Write off of Fixed Assets		1
Foundation Stone Laying Ceremony Expenses		182
Business Promotion Expenses		45
Fees and subscription		144
Environment & Ecology Expenses		241
Tender Expenses	54	16
Less: Receipts from Sale of Tenders	4	3
	50	13
Miscellaneous Expenses		482
Exchange Rate Variation		119
Rehabilitation Expenses		832
Local Area Development Expenses		72
Depreciation and Amortization Expense		968
<b>Interest and Finance Charges:</b>		
Interest on Bonds		778
Foreign Currency Loans		76
Interest on rupee term loans		4905
Finance charges on lease liabilities		67
Exchange differences regarded as adjustment to borrowing costs.		1343
Other finance charges		671
<b>Total expenses (A)</b>	<b>35967</b>	<b>24685</b>
<b>Less: Recovery and Receipts:</b>		
Interest Income:		
Banks		350
Contractors		229
Misc Income		142
<b>Total (B)</b>	<b>721</b>	<b>1059</b>
<b>Net expenditure attributable to construction Projects (A-B)</b>	<b>35246</b>	<b>23626</b>

\*Leave Salary and Pension Contribution is on account of retirement benefits of deputationists working in the company payable to their parent organisations. Corporate expenditure which is directly attributable to construction have been allocated to projects on the basis of accretion to CWIP.



**2.3 Intangible Assets**  
As at March 31, 2022

Sl.No.	Particulars	Gross Block			Depreciation			Net Block
		As at April 1, 2021	Additions during the year	Deductions/ Adjustments	As at March 31, 2022	For the year	Deduction	
1	Software	3763	956	-	4719	977	1592	2150
	<b>Total</b>	<b>3763</b>	<b>956</b>	<b>-</b>	<b>4719</b>	<b>977</b>	<b>1592</b>	<b>2150</b>

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	For the year	Deduction	
1	Software	516	3247	-	3763	371	606	2786
	<b>Total</b>	<b>516</b>	<b>3247</b>	<b>-</b>	<b>3763</b>	<b>371</b>	<b>606</b>	<b>2786</b>

**2.4 Intangible Assets under Development**

As at March 31, 2022

Sl. No.	Particulars	As at April 1, 2021	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2022	Capitalised during the year	As at March 31, 2022
	<b>Total</b>	<b>489</b>	<b>467</b>	<b>3</b>	<b>953</b>	<b>912</b>	<b>41</b>

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
	<b>Total</b>	<b>3187</b>	<b>363</b>	<b>-</b>	<b>3550</b>	<b>3061</b>	<b>489</b>

**2.4 (a) Intangible assets under development aging schedule**

As at March 31, 2022

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	41	-	-	-	41
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>41</b>

As at March 31, 2021

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Amount in Intangible assets under development for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	363	126	-	-	489
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>363</b>	<b>126</b>	<b>-</b>	<b>-</b>	<b>489</b>

**2.4 (b) Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan:**

As at March 31, 2022

Intangible assets under development	To be completed in		
	To be completed in		
	Less than 1 year	1-2 years	2-3 years
Project Name	-	-	-
Project Name	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>







As at March 31, 2021		To be completed in			As at March 31, 2021
		Less than 1 year	1-2 years	2-3 years	
<b>Intangible assets under development</b>					
Project Name	-	-	-	-	
Project Name	-	-	-	-	
<b>Total</b>	-	-	-	-	
<b>2.5 Investments accounted for using Equity Method</b>					
<b>Investment in Equity instruments</b>					
<b>Non Trade-Unquoted (at cost)</b>					
<b>Joint Venture Companies</b>					
Kholongchhu Hydro Energy Ltd.		24043			19043
Cross Border Power Transmission Company Ltd.		3299			2989
<b>Total</b>		<b>27342</b>			<b>22032</b>
<b>2.6 Investments</b>					
<b>Investment in Equity instruments</b>					
<b>Non Trade-Unquoted (at cost)</b>					
(a) Others		175			175
17500000 (P.Y:-17500000) Equity Shares of ₹1/- each in Pran Urja Solution Limited		175			175
<b>Total Investment in Equity Instruments</b>					
<b>Other Investment</b>		-			-
60 Fully Paid up Ordinary shares of ₹ 50/-each in NJP Employees Consumer Co-operative Store, Jhakri (₹ 3000/-)		-			-
<b>Total Other Investment</b>					
<b>Total Investments</b>		<b>175</b>			<b>175</b>
<b>2.7 Loans</b>					
<b>Loans to Related Parties</b>					
Loans to Directors					
- Secured considered good	45				17
- Unsecured considered good	7				3
- Doubtful	-		52		-
<b>Other Loans</b>					
Loan to officers of the company					
- Secured considered good	120				27
- Unsecured considered good	12				9
- Doubtful	-		132		-
Loans to other Employees					
- Secured considered good	8700				6949
- Unsecured considered good	386				412
- Doubtful	-		9086		-
<b>Other Advances:</b>					
Unsecured considered good					
-Directors	-				-
-Officers of the Company	-				-
-Other Employees	414				541
<b>Total</b>			<b>414</b>		<b>541</b>
					<b>7958</b>





2.8 Other financial assets		(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021	
Security Deposits	625	339	
Bank Deposit with more than 12 months maturity*	17825	3820	
Interest Accrued but not due on deposits with Banks	496	57	
<b>Total</b>	<b>18946</b>	<b>4216</b>	
* Pledged with banks for bank guarantee			
2.9 Deferred Tax Assets (Net)		(₹ Lakh)	
As at March 31, 2022			
	As at April 1, 2021	Additions/ (Adjustments) during the period	As at March 31, 2022
<b>Deferred Tax Assets</b>			
Temporary difference in carrying amount of PPE/ Intangible assets	13131	(3372)	9759
Temporary difference in Provisions	2967	239	3206
Deferred revenue	27042	(1126)	25916
MAT credit entitlement	19132	(5042)	14090
<b>Total</b>	<b>62272</b>	<b>(9301)</b>	<b>52971</b>
As at March 31, 2021			
	As at April 1, 2020	Additions/ (Adjustments) during the period	As at March 31, 2021
<b>Deferred Tax Assets</b>			
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
<b>Total</b>	<b>78463</b>	<b>(16191)</b>	<b>62272</b>
2.10 Other Non - current Assets		(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021	
<b>Capital Advances</b>			
<b>Advances to Suppliers and Contractors</b>			
Secured by hypothecation of Equipment/Material		21153	3528
<b>Unsecured considered good</b>			
-Covered by Bank Guarantees		16297	13025
-Others		3633	7127
Advances to Govt Departments	38167		24621
Less: Provision for Expenditure	201		202
		37966	24419
<b>Total - Capital Advances</b>		<b>79049</b>	<b>48099</b>
<b>Other Advances</b>			
Accrued Interest on Advances to Contractors	51		59
Less: Provision For Bad/Doubtful Debts/Advances		51	59
Advance Tax	169076		134558
Tax Deducted at Source	10280		9151
	179356		143709
Less: Provision for Tax	164649		142985
		14707	724
<b>Total - Other Advances</b>		<b>14758</b>	<b>783</b>
<b>Others</b>			
Prepaid Expenses		3485	3128
Deferred Employee Benefits Expense		1543	2109
<b>Total - Others</b>		<b>5028</b>	<b>5237</b>
<b>Total Other Non Current Assets</b>		<b>98835</b>	<b>54119</b>
2.11 Inventories		(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021	
<b>INVENTORIES</b>			
Stores and Spares	6270		5619
		6270	5619
Less : Provision for Shortage of store and Obsolescence		4	4
<b>Total</b>	<b>6266</b>		<b>5615</b>

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, 2022	As at March 31, 2021
Secured Considered good	-	-
Unsecured considered good	57503	52191
Doubtful	402	-
	<u>57905</u>	<u>52191</u>
Less: Provision for Doubtful Debts	402	-
	<u>57503</u>	<u>52191</u>
<b>Total</b>	<b>57503</b>	<b>52191</b>

- a) Trade receivables includes amount due from subsidiaries
- b) Ageing schedule of trade receivables has been given in Note no. 2.53
- c) 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 ₹24807 lakh (P.Y. ₹20107 lakh) (refer note no. 2.50).
- d) Trade receivables are net off amount refundable to beneficiaries on account of tariff order of CERC dated 24.01.2022 in respect of Rampur Hydro Power Plant amounting to ₹6677 lakh (P.Y. Nil).
- e) During the year provision has been created for amount receivable for consultancy works provided in Bhutan.
- f) JKPCL, one of the beneficiaries, has not renewed letter of credit (LC) since 2019. However, JKPCL has signed Tripartite agreement payment security mechanism, whereby, the recovery of outstanding dues of CPSE's is ensured.

2.13 Cash and Cash Equivalents	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Balances with Banks		
Current Accounts	2881	6204
Term Deposits (having original maturity of upto 3 months)	45	3573
	<u>2926</u>	<u>9777</u>
Cheques & Drafts in hand	3	-
<b>Total</b>	<b>2929</b>	<b>9777</b>

2.14 Others Bank Balances	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Earmarked Balance (Unpaid Dividend)	140	282
Margin Money for BG/ Letter of Credit and Pledged deposits	73702	35514
Other Term Deposits(having original maturity of more than 3 months but less than 12 months)	213432	85021
<b>Total</b>	<b>287274</b>	<b>120817</b>

2.15 Loans	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Loans to Related Parties</b>		
Loans to Directors		
- Secured considered good	15	15
- Unsecured considered good	6	4
- Doubtful	-	-
	<u>21</u>	<u>19</u>
Loans to Other Related Parties (Including Accrued interest)		
Subsidiaries:		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
	<u>-</u>	<u>-</u>
Other Loans		
Loan to officers of the company:		
- Secured considered good	71	2
- Unsecured considered good	15	19
- Doubtful	-	-
	<u>86</u>	<u>21</u>
Loans to other Employees		
- Secured considered good	1176	1153
- Unsecured considered good	185	169
- Doubtful	-	-
	<u>1361</u>	<u>1322</u>
Other Advances:		
Unsecured considered good		
-Directors	21	-
-Officers of the Company	87	21
-Other Employees	687	788
	<u>795</u>	<u>809</u>
<b>Total Loans</b>	<b>2263</b>	<b>2171</b>





2.16 Other Financial Assets	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Security Deposits	6	-
Interest Accrued but not due on deposits with Banks	4916	2545
Unbilled Revenue	24908	25321
Amount Receivable for Late Payment Surcharge	-	33179
Amount Recoverable from Contractors & Suppliers	10694	10390
Amount Receivable from Joint Ventures	12	118
Amount Receivable from Others	353	150
<b>Total Other Financial Assets</b>	<b>40889</b>	<b>71703</b>
2.17 Other Current Assets	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Advances other than Capital Advances</b>		
Security Deposits		
Advances to related Parties		
Advances to Subsidiaries		
-Secured Considered Good	-	-
-Unsecured, considered good	-	-
-Doubtful	-	-
	-	-
<b>Other Advances</b>		
Advances to Officers of the Company	-	-
Advances to other employees of the Company	4	6
	4	6
Advance to Suppliers and Contractors		
-Secured Considered Good	-	14
-Unsecured, considered good	193	538
-Doubtful	9	9
	202	561
Less Provision for Doubtful Advances	9	9
	193	552
Accrued Interest on Advances to Contractors	619	349
Advances to Govt Departments		
-Secured Considered Good		
-Unsecured, considered good *	9195	11457
-Doubtful	-	-
	9195	11457
Less Provision for Expenditure	1273	1275
	7922	10182
Advances to Others		
-Secured Considered Good	-	-
-Unsecured, considered good	202	180
-Doubtful	-	-
	202	180
Less Provision for Doubtful Advances	-	-
	202	180
<b>Others</b>		
Surplus Stores/Equipments	674	2925
Less: Provision for Shortage/ Obsolescence	644	2589
	30	336
Prepaid Expenses	4490	5669
Deferred Employees Benefits Expense	335	305
Amount Recoverable from Ex-Employees	-	7
Less: Provisions	-	7
	-	-
Other	9	4
<b>Total</b>	<b>13804</b>	<b>17583</b>

\*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 Assets held-for-sale**

(₹ Lakh)

	As At March 31, 2022	As At March 31, 2021
Land	506	-
Buildings	1101	-
<b>Total</b>	<b>1607</b>	<b>-</b>

Land and buildings which are underutilised and not yielded the appropriate returns have been transferred from Property, plant & equipments and classified as held for sale. The process of sale of these assets is under process and likely to be completed within next twelve months.

**2.19 Regulatory Deferral Account Debit Balance**

As at March 31, 2022

(₹ Lakh)

	As at April 1, 2021	Movement during the year	As at March 31, 2022
Foreign exchange rate variation on foreign currency loans	25151	1542	26693
Employee benefits expense (pay revision)	23772	-	23772
Interest on arbitration award	25782	2559	28341
O&M/ Security Expenses recoverable in tariff	11465	(9411)	2054
<b>Total</b>	<b>86170</b>	<b>(5310)</b>	<b>80860</b>

As at March 31, 2021

(₹ 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
<b>Total</b>	<b>53287</b>	<b>32883</b>	<b>86170</b>

Disclosures as per Ind AS 114 'Regulatory Deferral Accounts' are provided in Note no. 2.54

**2.20 Equity Share Capital**

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
<b>AUTHORISED</b>				
Equity Shares of par value ₹10/- each	7000000000	700000	7000000000	700000
<b>ISSUED, SUBSCRIBED AND FULLY PAID UP</b>				
Equity Shares of par value ₹10/- each fully paid up	3929795175	392980	3929795175	392980
<b>Total</b>		<b>392980</b>		<b>392980</b>

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.

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

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	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

**2.20.2 20,68,31,325 equity shares of ₹ 10 each were bought back by the company during the Financial Year 2017-18**

**2.20.3 Details of shareholding of promoters :**

As at March 31, 2022

Promoter Name	As at March 31, 2022		
	No. of shares	% of total shares	% Change during the year
President of India	2354802133	59.92	-
Governor of Himachal Pradesh	1055014800	26.85	-

As at March 31, 2021

Promoter Name	As at March 31, 2021		
	No. of shares	% of total shares	% Change during the year
President of India	2354802133	59.92	-
Governor of Himachal Pradesh	1055014800	26.85	-





**2.20.4 The reconciliation of the number of shares outstanding is set out below: (₹ Lakh)**

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
Number of shares at the beginning	3929795175	392980	3929795175	392980
Number of shares at the end	3929795175	392980	3929795175	392980

**2.20.5 Dividends:**

Dividends Paid and recognised during the year

(₹ Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Final dividend for the F.Y. 2020-21 @ ₹0.40 (P.Y. ₹0.50) per share	15719	19649
Interim dividend for the F.Y. 2021-22 @ ₹1.15 (P.Y. ₹1.80) per share	45193	70736
<b>Total</b>	<b>60912</b>	<b>90385</b>

Dividends Paid and recognised during the year

(₹ Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
The Board of Directors of the company have proposed final dividend for the year 2021-22 @ ₹0.55 (P.Y. ₹0.40) per share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	21614	15719
<b>Total</b>	<b>21614</b>	<b>15719</b>

**2.21 Other Equity**

(₹ Lakh)

	As at March 31, 2022	As at March 31, 2021
<b>A Capital Redemption Reserve*</b>		
Opening Balance	20683	20683
Add: Transfer from Retained Earnings for Buyback of Equity Shares	-	-
Closing Balance	20683	20683
<b>B Retained Earnings</b>		
Opening Balance	865466	791445
Add: Profit for the Year as per Statement of Profit and Loss	98980	164572
Add: Other comprehensive income during the year	(163)	(166)
Less: Dividends		
Final Dividend Paid	15719	19649
Interim Dividend Paid	45193	70736
Closing Balance	903371	865466
<b>Total Other Equity(A+ B)</b>	<b>924054</b>	<b>886149</b>

\*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.





2.22 Borrowings		(₹ Lakh)	
		As at March 31, 2022	As at March 31, 2021
<b>A</b>	<b>Bonds/ Debentures</b>		
	<b>Unsecured</b>		
	6.10% unsecured non-convertible redeemable debentures of ₹ 10,00,000/- each redeemable at face value on September 29, 2026 (Series 1)	100000	-
	<b>Total (A)</b>	<b>100000</b>	<b>-</b>
<b>B</b>	<b>Term Loans</b>		
	<b>From Banks:</b>		
	<b>Secured</b>		
	Punjab National Bank #	20874	28900
	Repayable in quarterly instalments from June 2024 to March 2035 at floating (MCLR with annual reset) interest rate of 7.30% p.a. as on 31.03.2022		
	Prepayment of loan amounting ₹ 12381 lakh (P.Y. Nil) has been made during the year.		
	HDFC Bank Limited*	8894	12236
	Repayable in quarterly instalments from September 2020 to December 2023, carrying interest @ 5.90% p.a. (linked with Repo rate)		
	State Bank of India \$	47082	-
	Canara Bank \$	38138	-
	IIFCL Ltd. \$	32601	-
	Repayable in quarterly instalments from June, 2025 to March 2039 at floating (MCLR with half yearly reset plus spread) interest rate of 8.95% p.a. as on 31.03.2022.		
	State Bank of India ##	15000	-
	Export Import Bank Ltd. ##	4500	-
	Repayable in quarterly instalment from July, 2025 to January 2038, carrying interest @ 7.30% p.a. (1 year SBI MCLR plus 30 basis point reset after year)		
	<b>Total</b>	<b>167089</b>	<b>41136</b>

\* 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

\$ Secured by equitable mortgage/hypothecation of all present and future fixed assets and book debt as first charge of SJVN Thermal Pvt. Ltd.

## Secured by equitable mortgage/hypothecation of all present and future fixed assets and book debts of SJVN Arun-3 Power Development Company as first charge.

**Unsecured:**

**Foreign Currency Loans**

World Bank (IBRD) (Guaranteed by Govt of India)

Repayable in 30 half yearly instalments from May 2013, carrying interest @ 6M LIBOR+variable spread of 0.33 % p.a. (P.Y 0.29% p.a to 0.30% p.a)

Punjab National Bank, Dubai

Repayable after 5 years from the date of drawl starting w.e.f. september 2026 carrying interest @ 6M LIBOR+ spread 1.30% p.a.

**Total**

**Total term loans (B)**

**Total (A+B)**

**Less: Current maturities of long term debts**

Rupee term loans from banks- secured

Foreign Currency loans from world bank

**Total**

153440	169132
223028	-
<b>376468</b>	<b>169132</b>
<b>543557</b>	<b>210268</b>
<b>643557</b>	<b>210268</b>
4456	4456
22085	20244
<b>617016</b>	<b>185568</b>

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

2.23 Lease Liabilities		(₹ Lakh)	
		As at March 31, 2022	As at March 31, 2021
	Lease liabilities - Non current	588	971
	<b>Total</b>	<b>588</b>	<b>971</b>

Disclosure as per Ind AS-116 has been given under note no. 2.54

2.24 Other Financial Liabilities		(₹ Lakh)	
		As at March 31, 2022	As at March 31, 2021
	Deposits, Retention Money from Contractors and Others	38051	10290
	<b>Total</b>	<b>38051</b>	<b>10290</b>





2.25 Non Current Provisions	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Unfunded Employee Benefits	10634	9658
Community Development	6100	6100
<b>Total</b>	<b>16734</b>	<b>15758</b>

Disclosures as per Ind AS 19 'Employee benefits' are provided in Note no. 2.45

2.26 Other non-current Liabilities	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Income Received in Advance:</b>		
- Advance Against Depreciation	70940	74163
<b>Deferred Revenue:</b>		
- Government Grant*	1000	5
- Deferred Income from Foreign Currency Fluctuation	999	1031
<b>Total</b>	<b>72939</b>	<b>75199</b>

\*Capital Grant/ Budgetary support amounting to Rs. 1000 lakh (P.Y. Nil) has been received from Government of India for meeting the cost of Diversion of National Highway 05 and cutting works of the project roads for Luhri Stage-1 HEP.

2.27 Borrowings	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Loans repayable on demand</b>		
From banks		
Unsecured		
Bank Overdrafts	30828	5218
<b>Other loans</b>		
Unsecured		
Short term loan from banks	14990	-
<b>Current Maturities of Long Term debt</b>		
Secured		
- Rupee Term Loans from banks	4456	4456
Unsecured		
- Foreign Currency Loans (Guaranteed by GOI)	22085	20244
<b>Total</b>	<b>72359</b>	<b>29918</b>

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

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 2.22

2.28 Lease Liabilities	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Lease liabilities- current	652	906
<b>Total</b>	<b>652</b>	<b>906</b>

Disclosure as per Ind AS-116 has been given under note no. 2.54

2.29 Trade Payables	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Total Outstanding Dues of Micro and Small Scale Enterprises	700	642
Total Outstanding Dues of Creditors Other than Micro and Small Enterprises	3016	3889
<b>Total</b>	<b>3716</b>	<b>4531</b>

a) Disclosure regarding dues to micro and small enterprises as required by the MSMED Act is made in note 2.60

b) Ageing schedule of trade payables has been given in note no. 2.57





**2.33 Revenue from Operations**

(₹ Lakh)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Sales</b>		
Energy Sales	238489	242205
Less:		
Regulated Power Adjustment- Margin	-	76
Regulated Power Adjustment- Expenses	-	16
	238489	242113
Advance Against Depreciation	3224	3224
	241713	245337
Less: Rebate to Customers	845	530
	240868	244807
Consultancy Income	(232)	-
<b>Total</b>	<b>240636</b>	<b>244807</b>
<b>Other operating revenues</b>		
Interest from Beneficiaries	798	3470
Others	266	262
<b>Total</b>	<b>1064</b>	<b>3732</b>
<b>Total Revenue from Operations</b>	<b>241700</b>	<b>248539</b>

The CERC notified the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 vide Order dated 7th March 2019 (Regulations, 2019) for determination of tariff for the the period 2019-24. CERC has approved the tariff of hydro power plants as per above regulations. Accordingly, sales of hydro power plants have been recognised in accordance with the tariff approved.

Energy sales and interest from beneficiaries include an amount of ₹(6846) lakh and ₹798 lakh respectively pertaining to earlier years on receipt of tariff orders of hydro power plants for the period 2014-19 and 2019-24 (Previous year: ₹5635 lakh and ₹3390 lakh on truing up of tariff in respect of RHPS for the period 2014-19). Interest payable as per above tariff orders has been shown under note no. 2.37

**2.34 Other Income**

(₹ Lakh)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Interest Income</b>		
Banks	10116	11606
Employees	1141	960
Contractors	1665	1541
Others	59	71
	12981	14178
<b>Other Non-Operating Income</b>		
Late Payment Surcharge From Beneficiaries	6141	58416
Receipt of Maintenance of ICF	262	251
Government Grant	-	1
Foreign Currency Fluctuation Adjustment	32	40
Sale of Scrap	183	70
Miscellaneous Income #	2179	789
<b>Total</b>	<b>21778</b>	<b>73745</b>
<b># Details of Miscellaneous Income:</b>		
Profit on Sale of Fixed Assets	34	1
Rent Recovery from Staff/Others	89	81
Excess Provision Written Back	495	2
Liquidated Damages (LD) recovered	1077	311
Claim Received from Insurance Company	336	249
Corporate Guarantee Fees from Subsidiary	-	-
Other Misc. Receipts	148	145
<b>Total</b>	<b>2179</b>	<b>789</b>






**2.35 Employee Benefits Expense**

(₹ Lakh)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Salaries, Wages, Allowances and Benefits	22851	25197
Contribution to Provident and Other Funds	3187	3495
Leave Salary and Pension Contribution *	61	43
Welfare Expenses	2963	2987
	29062	31722
	<b>29062</b>	<b>31722</b>

\*Leave Salary and Pension Contribution is on account of retirement benefits of deputationists working in the company payable to their parent organisations.

Disclosures as per Ind AS 19 'Employee benefits' are provided in Note no. 2.45

**2.36 Finance Costs**

(₹ Lakh)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
<b>Interest cost on financial liabilities measured at amortized cost:</b>		
Bonds	2297	-
Working Capital Loan	1164	14
Foreign Currency Loans	2260	1753
Rupee Term Loans	686	1021
Commercial Papers	387	(5539)
	6794	(2751)
<b>Exchange differences regarded as adjustment to borrowing costs.</b>	7353	-
Other Borrowing Costs		
Guarantee fees to Government of India	1862	2161
Finance charges on lease liabilities	69	99
Other finance charges	56	206
<b>Total</b>	<b>16134</b>	<b>(285)</b>

**2.37 Depreciation and Amortization Expense**

(₹ Lakh)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
On property, plant and equipment (Note 2.1)*	39805	39917
On intangible assets (Note 2.3)	1592	606
Less: Depreciation attributable to Construction (Note 2.2.1)	968	1196
<b>Depreciation Charged to Statement of Profit &amp; Loss</b>	<b>40429</b>	<b>39327</b>
* Includes depreciation/ amortization of ROU assets	1672	1714





2.38 Other Expenses	(₹ Lakh)	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Repair and Maintenance:		
Buildings	1417	1619
Roads	174	142
Plant & Machinery	1637	1778
Office Equipments & Furnitures	23	34
Civil Works	939	938
Electro Mechanical Works	3554	2963
Vehicles	118	97
Others	845	872
	8707	8443
Rent	5	8
Rates & Taxes	21	25
Insurance	5212	4786
Security Expenses	5291	5181
Electricity Charges	1208	1084
Less:- Recovered from Employees & Contractors	52	73
	1156	1011
Travelling & Conveyance	245	150
Training and Recruitment Expenses	1360	349
Less:- Cost of Application Forms Received	35	4
	1325	345
Legal Expenses	175	206
Professional and Consultancy Charges	483	829
Communication Expenses	410	409
Printing & Stationery	87	134
Payment to Auditors	34	44
Advertisement & Publicity	383	307
EDP Expenses	471	928
Hiring of Vehicles	441	282
Entertainment Expenses	111	80
Expenses on Transit Camps	85	66
Books & Periodicals	24	44
Contribution to PM CARES Fund	1300	-
C.S.R./ Sustainable Development Expenses	5076	5350
Stores Written Off	-	26
Loss on Disposal/Write off of Fixed Assets	362	2257
Debts/ Advances written Off	403	-
Directors Sitting Fees	19	11
Business Promotion Expenses	130	69
Fees and subscription	811	1055
Environment & Ecology Expenses	116	129
Tender Expenses	189	87
Less: Receipts from Sale of Tenders	10	8
	179	79
Interest on Arbitration / Court cases	2802	2877
Interest to Beneficiaries #	3616	1635
Miscellaneous Expenses	278	158
Exchange Rate Variation	65	-
Expenses on Regulated Power	-	16
Less: Regulated Power Adjustment - Sales	-	16
	-	-
Rehabilitation Expenses	171	7
<b>Total</b>	<b>39994</b>	<b>36929</b>
<b>Stores Consumption Included in Repairs and Maintenance</b>	<b>1679</b>	<b>1866</b>

# Interest to beneficiaries is on account of receipt of tariff orders of hydro power stations for the period 2014-19 and 2019-24 (P.Y. on account of truing up of tariff of RHPS for the period 2014-19).



2.39	Exceptional Items	(₹ Lakh)	
		For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
	Projects written off *	2326	-
	Special Rebate to Customers	-	5173
	Interest on arbitration award	-	24171
	<b>Total</b>	<b>2326</b>	<b>29344</b>

\* During the year transmission line at Muzaffarpur was written off as in view of the management it is not required to be kept operational.

2.40	Net movement in regulatory deferral account balances (net of tax)	(₹ Lakh)	
		For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
	<b>Regulatory Deferral Account Debit Balance:</b>		
	Foreign exchange rate variation on foreign currency loans	1542	(8677)
	Employee benefits expense (pay revision)	-	4313
	Interest on arbitration award	2559	25782
	O&M / Security Expenses recoverable in tariff	(9411)	11465
	<b>Total</b>	<b>(5310)</b>	<b>32883</b>
	Tax on net movement in regulatory deferral account balances	(928)	5745
	<b>Net movement in regulatory deferral account balances (net of tax)</b>	<b>(4382)</b>	<b>27138</b>



**NOTE-2.41 : Disclosure on Financial Instruments and Risk Management****(1) Fair Value Measurement****A) Financial Instruments by category**

(₹ Lakh)

Particulars	Notes	As at March 31, 2022	As at March 31, 2021
		Amortised Cost	Amortised Cost
<b>Financial assets</b>			
<b>Non-current Financial assets</b>			
(i) Non-current investments*			
-Equity Instrument (Unquoted)	2.6	175	175
(ii) Loans (to employee & others)	2.7	9684	7958
(iii) Others:			
-Security Deposits	2.8	625	339
-Bank Deposits with more than 12 Months Maturity (including accrued interest)	2.8	18321	3877
<b>Current Financial assets</b>			
(i) Trade receivables	2.12	57503	52191
(ii) Cash and cash equivalents	2.13	2929	9777
(iii) Bank balances other than (ii) above	2.14	287274	120817
(iv) Short-term loans (to employee & others)	2.15	2263	2171
(v) others :			
(a) Amount recoverable from supplier & contractors	2.16	10694	10390
(b) interest receivable on investments and bank deposits	2.16	4916	2545
(c) other receivables	2.16	25279	58768
<b>Total Financial Assets</b>		<b>419663</b>	<b>269008</b>
<b>Financial Liabilities</b>			
<b>Non Current Financial Liabilities</b>			
<b>(i) Long -Term Borrowings</b>			
a) Non-convertible redeemable bonds	2.22	100000	-
b) Term Loan From Domestic Bank	2.22	162633	36680
c) Term Loan from others	2.22	354383	148888
(ii) Lease Liabilities	2.23	588	971
(iii) Deposits/Retention Money-non current	2.24	38051	10290
<b>Current Financial Liabilities</b>			
(i) Short-term borrowings	2.27	72359	29918
(ii) Lease liabilities	2.28	652	906
(iii) Trade Payables (MSME)	2.29	700	642
(iv) Trade Payables (other than MSME)	2.29	3016	3889
(v) Other Current financial liabilities			
a) Interest accrued but not due on borrowings	2.30	3558	354
b) Deposits/Retention Money	2.30	30911	19381
c) Liability against Capital Works/Supplies	2.30	87013	54481
d) Other Payables	2.30	8609	11550
<b>Total Financial Liabilities</b>		<b>862473</b>	<b>317950</b>

\*At Cost

**Note:** The group 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)

	Note No.	As at March 31, 2022			As at March 31, 2021		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets</b>							
(i) Loans (to employee & others)	2.7 & 2.15	-	11947	-	-	10468	-
(ii) Others							
-Bank Deposits with more than 12 Months Maturity (including accrued interest)	2.8	-	18321	-	-	3877	-
-Security Deposits	2.8	-	625	-	-	-	-
<b>Total Financial Assets</b>		-	<b>30893</b>	-	-	<b>14345</b>	-
<b>Financial Liabilities</b>							
(i) Non-convertible redeemable bonds	2.22	100000	-	-	-	-	-
(ii) Borrowings (Long term & Short term)	2.22 & 2.27	-	589375	-	-	215486	-
(iii) Lease liabilities	2.23 & 2.28	-	1240	-	-	1877	-
(iv) Deposits/Retention Money (including Current)	2.24 & 2.30	-	68962	-	-	29671	-
<b>Total Financial Liabilities</b>		<b>100000</b>	<b>659577</b>	-	-	<b>247034</b>	-

**(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 has a team that 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)

	Note No.	As at March 31, 2022		As at March 31, 2021	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets at Amortised Cost</b>					
(i) Loans	2.7 & 2.15	13825	11947	12543	10129
(ii) Bank Deposits with more than 12 Months Maturity	2.8	18321	18321	3877	3877
(iii) Security Deposits	2.8	625	625	339	339
<b>Total Financial Assets</b>		<b>32771</b>	<b>30893</b>	<b>16759</b>	<b>14345</b>
<b>Financial Liabilities at Amortised Cost</b>					
(i) Non-convertible redeemable bonds	2.22	100000	100000	-	-
(ii) Borrowings (Long term and short term)	2.22 & 2.27	589375	589375	215486	215486
(iii) Lease liabilities	2.23 & 2.28	1240	1240	1877	1877
(iv) Deposits/Retention Money	2.24 & 2.30	68962	68962	29671	29671
<b>Total Financial Liabilities</b>		<b>759577</b>	<b>759577</b>	<b>247034</b>	<b>247034</b>

**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 and other receivables, 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:

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 group 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 group 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, 2022 and 31st March, 2021.

The group operates mainly in regulated environment. Tariff hydro power stations of the group 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 2019-24 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 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 group 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 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.

Particulars	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Floating rate borrowings</b>		
Term loans	1556101	1398697
Foreign currency loans	152340	95981
Bank Overdraft	4044	4782
Loans against Term Deposits	16602	-
<b>Total</b>	<b>1729087</b>	<b>1499460</b>

**(ii) Maturities of Financial Liabilities:**

The table below provides undiscounted cash flows towards group'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 2.22, 2.23, 2.24, 2.27, 2.28 and 2.29, 2.30 & 2.31 of balance sheet)

**For the Year Ended March 31, 2022**

Contratual maturities of financial liabilities	Note No.	Outstanding Debt As at March 31, 2022	(₹ Lakh)			
			Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Years & Less than 5 Years	More than 5 Years
1. Non-convertible redeemable bonds	2.22	100000	-	-	100000	-
2. Long term & Short Borrowings (including interest accrued but not due)	2.22, 2.27 & 2.31	592933	75917	55482	282794	178740
3. Lease liabilities	2.23 & 2.28	1240	652	292	207	89
4. Other financial Liabilities	2.24 & 2.30	164584	164583	1	-	-
5. Trade Payables	2.29 & 2.29	3716	3716	-	-	-
<b>Total Financial Liabilities</b>		<b>862473</b>	<b>244868</b>	<b>55775</b>	<b>383001</b>	<b>178829</b>

**For the Year Ended March 31, 2021**

Contratual maturities of financial liabilities	Note No.	Outstanding Debt As at March 31, 2021	(₹ Lakh)			
			Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Years & Less than 5 Years	More than 5 Years
1. Borrowings (including interest accrued but not due)	2.22, 2.27 & 2.31	215840	30272	51889	70316	63363
2. Lease liabilities	2.23 & 2.28	1877	906	424	370	177
3. Other financial Liabilities	2.24 & 2.30	95702	85412	10290	-	-
4. Trade Payables	2.29 & 2.29	4531	4531	-	-	-
<b>Total Financial Liabilities</b>		<b>317950</b>	<b>121121</b>	<b>62603</b>	<b>70686</b>	<b>63540</b>

**(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, 2022	As at March 31, 2021
Variable Rate Borrowings (FC)	376468	169132
Variable Rate Borrowings (INR)	167089	46354
<b>Total</b>	<b>543557</b>	<b>215486</b>

### Interest Rate Sensitivity Analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. 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, 2022	As at March 31, 2021
Effect on Profit Before Tax with rise of 25 basis points	(1359)	(539)
Effect on Profit Before Tax with rise of 50 basis points	(2718)	(1077)

#### (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 :

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Foreign Currency</b>	USD	USD
Net Exposure to foreign currency risk(asset)	-	-
<b>Financial Liabilities:</b>		
Foreign currency loan including interest accrued but not due(₹ in Lakh)	379981	169486
<b>Net Exposure to foreign currency risk(liabilities)</b>	<b>379981</b>	<b>169486</b>

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 group 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.

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 group 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 2019-24.





**(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, 2022.

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**

Particulars	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
(a) Total Debt	692933	215840
(b) Total Capital	1317034	1279118
<b>Debt Equity Ratio (a/b)</b>	<b>0.53</b>	<b>0.17</b>

**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:-

1. 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.
2. Debt to net worth should not exceed 2:1.

During the year the group has complied with the above loan covenants.

**(c) Dividends:**

(i) Equity Shares	(₹ Lakh)	
	As at March 31, 2022	As at March 31, 2021
Final dividend for the year 2020-21 of INR 0.40 per fully paid share approved in Sep-2021. (INR 0.50 per fully paid share for FY 2019-20 approved in Sep-2020).	15719	19649
Interim dividend for the year ended 31st March, 2022 of INR 1.15 per fully paid share (For the year ended 31st March 2021 - INR 1.80 per fully paid share).	45193	70736
<b>(ii) Dividend not recognised at the end of the reporting period</b>	<b>21614</b>	<b>15719</b>



**Other Explanatory Notes to Accounts****2.42 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:

Name of entity	Principal Activities	Country of Incorporation	% Equity Interest	
			As at 31.03.2022	As at 31.03.2021
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%
3. SJVN Green Energy 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.

**2.43 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. 1.5 ‘Non-current Assets Held for Sale’ has been introduced during the year. The impact of the same has resulted in decrease in net block of Property, plant and equipment (PPE) by ₹ 1607 lakh and increase in Assets held-for-sale by the same amount.

**b) Reclassification and comparative figures**

Certain reclassifications have been made to the comparative period’s financial statements to enhance comparability with the current year’s financial statements.

As a result, certain line items have been reclassified in the balance sheet and statement of cash flows, the details of which are as under:

**Items of Balance Sheet before and after reclassification as at 31st March 2021**

(₹ Lakh)

Sr.No.	Particulars	Amount before reclassification	Reclassification	Amount after reclassification
1	Non-current assets – Financial assets – Loans	8297	(233)	8064
2	Non-current assets – Financial assets – Others	3877	233	4110
3	Current Financial Liabilities - Borrowings	5218	24700	29918
4	Current Financial Liabilities - Others	110466	(24700)	85766

**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	
	31st March 2022	31st March 2021
<b>Current tax expense</b>		
Current year	23286	32012
Adjustment relating to earlier years	33	4
Pertaining to regulatory deferral account balances	(928)	5745
<b>Total Current tax expense</b>	<b>22391</b>	<b>37761</b>

**ii) Income tax recognized in other comprehensive income**

(₹ Lakh)

Particulars	For the year ended					
	31st March 2022			31st March 2021		
	Before Tax	Tax expense/(benefit)	Net of tax	Before Tax	Tax expense/(benefit)	Net of tax
Net actuarial gains/(losses) on defined benefit plans	(197)	(34)	(163)	(255)	(89)	(166)
<b>Total</b>	<b>(197)</b>	<b>(34)</b>	<b>(163)</b>	<b>(255)</b>	<b>(89)</b>	<b>(166)</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 company has sufficient MAT credit available to it in the future and continues to recognise the taxes on income as per the earlier provisions.

**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. The liability for the same is recognized on accrual basis. From the F.Y. 2021-22 the Group 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 Group 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. 2021-22. Pending notification of the rate by the Government, actuarial valuation has been carried out considering the provisional interest rate of 8.10% 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, 2022	As at March 31, 2021
Net defined benefit (asset) / liability – current	(279)	(1676)

**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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>Opening balance</b>	<b>66427</b>	<b>56980</b>	<b>(68103)</b>	<b>(55432)</b>	<b>(1676)</b>	<b>1548</b>
Adjustment made in plan assets after finalization of previous report	-	-	1911	-	1911	-
Adjusted Opening Balance (A)	66427	56980	(66192)	(55432)	235	1548
Current service cost recognised in statement of profit and loss *	1964	1903	-	-	1964	1903
Interest cost/(income)	5474	5064	(6189)	(6663)	(715)	(1599)
<b>Total (B)</b>	<b>7438</b>	<b>6967</b>	<b>(6189)</b>	<b>(6663)</b>	<b>1249</b>	<b>304</b>
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(13)	-	-	-	(13)	-
Experience adjustment	109	(172)	-	-	109	(172)
Return on Plan Assets Excluding Interest Income	-	-	105	(1453)	105	(1453)
<b>Total (C)</b>	<b>96</b>	<b>(172)</b>	<b>105</b>	<b>(1453)</b>	<b>201</b>	<b>(1625)</b>
Others						
Contributions by plan participants / employees	5614	6116	(5614)	(6116)	-	-
Employer contribution	-	-	(1964)	(1903)	(1964)	(1903)
Benefits Paid	(5653)	(3711)	5653	3711	-	-
Settlements/Transfer In	263	247	(263)	(247)	-	-
<b>Total (D)</b>	<b>224</b>	<b>2652</b>	<b>(2188)</b>	<b>(4555)</b>	<b>(1964)</b>	<b>(1903)</b>
<b>Closing Balance (A+B+C+D)</b>	<b>74185</b>	<b>66427</b>	<b>(74464)</b>	<b>(68103)</b>	<b>(279)</b>	<b>(1676)</b>

\* Out of the above an amount of ₹ 302 Lakh (P.Y.: ₹ 529 Lakh) has been transferred to expenditure attributable to construction period.

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 ₹ 279 Lakh (P.Y.: ₹ 1676 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**

(₹ Lakh)

Sr.No.	Particulars	March 31, 2022		March 31, 2021	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	74185		66427	
2	Change in discount rate by 0.5%	(9)	10	(6)	7

**(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:

(₹ Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Net defined benefit (asset) / liability – Current (Funded)	341	597



**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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>Opening balance</b>	<b>9227</b>	<b>8619</b>	<b>(8630)</b>	<b>(7700)</b>	<b>597</b>	<b>919</b>
Adjustment made in plan assets by the insurers after finalization of previous report	-	-	(597)	(919)	(597)	(919)
Adjusted Opening Balance (A)	9227	8619	(9227)	(8619)	-	-
Included in profit or loss for the year:						
Current service cost	509	532	-	-	509	532
Past service cost	-	-	-	-	-	-
Interest cost/(income)	623	585	(653)	(596)	(30)	(11)
Total amount recognised in profit or loss for the year * (B)	1132	1117	(653)	(596)	479	521
Included in other comprehensive income:						
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(197)	23	-	-	(197)	23
Experience adjustment	91	53	-	-	91	53
Return on Plan Assets Excluding Interest Income	-	-	-	-	-	-
Total amount recognised in other comprehensive income* (C)	(106)	76	-	-	(106)	76
Others						
Contribution by Employer	-	-	-	-	-	-
Acquisition of asset from Deputation / Contract Employee	-	-	(32)	-	(32)	-
Benefits Paid	(856)	(585)	856	585	-	-
Total (D)	(856)	(585)	824	585	(32)	-
<b>Closing Balance (A+B+C+D)</b>	<b>9397</b>	<b>9227</b>	<b>(9056)</b>	<b>(8630)</b>	<b>341</b>	<b>597</b>

\* Out of the above an amount of ₹ 88 Lakh (P.Y.: ₹ 140 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 2 Lakh (P.Y.: ₹ 3 Lakh) is recoverable from joint venture companies.

**Sensitivity Analysis of the Defined benefit obligation**

(₹ Lakh)

Sr.No.	Particulars	March 31, 2022		March 31, 2021	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period		9397		9227
2	Change in discount rate by 0.5%	(373)	402	(375)	405
3	Change in Salary increase rate by 0.5%	96	(109)	123	(143)

**(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, 2022	As at March 31, 2021
Net defined benefit (asset) / liability – Current (Funded) #	866	549

# Includes an amount of ₹ 56 lakh (P.Y.: ₹ 38 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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>Opening balance</b>	<b>8916</b>	<b>8098</b>	<b>(8367)</b>	<b>(6930)</b>	<b>549</b>	<b>1168</b>
Adjustment made in plan assets by the insurers after finalization of previous report	-	-	(511)	(1107)	(511)	(1107)
Adjusted Opening Balance (A)	8916	8098	(8878)	(8037)	38	61
Included in profit or loss for the year :						
Current service cost	481	389	-	-	481	389
Past service cost	-	-	-	-	-	-
Interest cost/(income)	602	549	(590)	(523)	12	26
Total amount recognised in profit or loss for the year * (B)	1083	938	(590)	(523)	493	415
Included in other comprehensive income:						
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(313)	30	-	-	(313)	30
Experience adjustment	669	115	-	-	669	115
Return on Plan Assets Excluding Interest Income	-	-	-	-	-	-
Total amount recognised in other comprehensive income* (C)	356	145	-	-	356	145
Others						
Contribution by Employer	-	-	-	-	-	-
Benefits Paid	(379)	(265)	358	193	(21)	(72)
Total (D)	(379)	(265)	358	193	(21)	(72)
<b>Closing Balance (A+B+C+D)</b>	<b>9976</b>	<b>8916</b>	<b>9110</b>	<b>8367</b>	<b>866</b>	<b>549</b>

\* Out of the above an amount of ₹ 198 Lakh (P.Y.: ₹ 123 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 4 Lakh (P.Y.: ₹ 3 Lakh) is recoverable from joint venture companies.

**Sensitivity Analysis of the Defined benefit obligation**

(₹ Lakh)

Sr.No.	Particulars	March 31, 2022		March 31, 2021	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	9976		8916	
2	Change in discount rate by 0.5%	(630)	646	(519)	534
3	Change in Medical cost rate by 0.5%	654	(634)	539	(525)

**(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, 2022	As at March 31, 2021
Net defined benefit (asset) / liability – Current (Non-funded)	14	10
Net defined benefit (asset) / liability – Non-Current (Non-funded)	236	215
Total Net defined benefit (asset) / liability – (Non-funded)	250	225

**Movement in net defined benefit (asset) / liability**

(₹ Lakh)

Particulars	Defined benefit obligation	
	For the year ended	
	31.03.2022	31.03.2021
Opening balance (A)	225	177
Included in profit or loss for the year / EAC:		
Current service cost	16	15
Past service cost	-	-
Interest cost/(income)	15	12
Total amount recognised in profit or loss for the year / EAC* (B)	31	27
Included in other comprehensive income:		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Demographic assumptions	-	-
Financial assumptions	(6)	1
Experience adjustment	55	40
Return on Plan Assets Excluding Interest Income	-	-
Total amount recognised in other comprehensive income* (C)	49	41
Others		
Contribution by Employer	-	-
Benefits Paid	(55)	(20)
Total (D)	(55)	(20)
<b>Closing Balance (A+B+C+D)</b>	<b>250</b>	<b>225</b>





\* Out of the above an amount of ₹ 21 Lakh (P.Y.: ₹ 18 Lakh) has been transferred to expenditure attributable to construction period and an amount of Nil (P.Y.: ₹ 1 Lakh) is recoverable from joint venture companies.

**Sensitivity Analysis of the Defined benefit obligation**

(₹ Lakh)

Sr.No.	Particulars	March 31, 2022		March 31, 2021	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	250		225	
2	Change in discount rate by 0.5%	(12)	12	(9)	9
3	Change in Cost increase rate by 0.5%	12	(12)	9	(9)

**(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, 2022	As at March 31, 2021
Net defined benefit (asset) / liability – Current (Non -funded)	14	12
Net defined benefit (asset) / liability – Non - Current (Non -funded)	290	277
Total Net defined benefit (asset) / liability – (Non -funded)	304	289

**Movement in net defined benefit (asset) / liability**

(₹ Lakh)

Particulars	Defined benefit obligation	
	For the year ended	
	31.03.2022	31.03.2021
<b>Opening balance (A)</b>	<b>289</b>	<b>227</b>
Included in profit or loss / EAC for the year:		
Current service cost	19	20
Past service cost	-	-
Interest cost/(income)	19	15
Total amount recognised in profit or loss / EAC for the year* (B)	38	35
Included in other comprehensive income:		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Demographic assumptions	-	-
Financial assumptions	(7)	1
Experience adjustment	21	51
Return on Plan Assets Excluding Interest Income	-	-
Total amount recognised in other comprehensive income* (C)	14	52
Others		
Contribution by Employer		
Benefits Paid	(37)	(25)
Total (D)	(37)	(25)
<b>Closing Balance (A+B+C+D)</b>	<b>304</b>	<b>289</b>

\* Out of the above an amount of ₹ 4 Lakh (P.Y.: ₹ 13 Lakh) has been transferred to expenditure attributable to construction period.

**Sensitivity Analysis of the Defined benefit obligation.**

(₹ Lakh)

Sr.No.	Particulars	March 31, 2022		March 31, 2021	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	304		289	
2	Change in discount rate by 0.5%	(14)	15	(13)	14
3	Change in Cost increase rate by 0.5%	16	14	14	(13)

**(vi) Plan Assets**

Plan assets comprise the following :

(₹ Lakh)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
State Govt. Securities	30993	-	30993	27945	-	27945
Central Govt. Securities	7040	-	7040	7135	-	7135
Corporate bonds and term deposits	27906	-	27906	25940	-	25940
Equity and equity-linked investments	8567	-	8567	6803	-	6803
Investments with insurance companies	-	16930	16930	-	15547	15547
Others	-	78	78	-	94	94

Actual Return on Plan assets is ₹ 7327 Lakh (P.Y.: ₹ 9235 Lakh)




**(vii) Key Actuarial assumptions for Actuarial Valuation:**

Particulars	As at 31.03.2022	As at 31.03.2021
Mortality Table	IALM (2012-14)	IALM (2012-14)
Discount Rate	7.00%	6.75%
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 Group is exposed to various risks as follow -

- 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.
- 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.
- 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.
- Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- 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.**

(₹ Lakh)

Particulars	Less than a year	Between 1-5 years	Over 5 years	Total
<b>31-Mar-22</b>				
Gratuity	706	3190	5501	9397
TTA/Settlement allowance on retirement (exit)	14	76	160	250
Employee Provident fund	13345	19777	41063	74185
Retirement Gifts/Long service award liability	14	92	198	304
Post Retirement Medical Scheme	317	1795	7864	9976
<b>TOTAL</b>	<b>14396</b>	<b>24930</b>	<b>54786</b>	<b>94112</b>
<b>Particulars</b>				
<b>31-Mar-21</b>				
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
<b>TOTAL</b>	<b>12096</b>	<b>22133</b>	<b>50855</b>	<b>85084</b>

**c) Other Long Term Employee Benefit Plans**

The Group provides for earned leave benefit and half pay leave to the employees of the Group 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 ₹ 1648 Lakh has been made on the basis of actuarial valuation at the year end and debited to statement of profit and loss (P.Y.: ₹ 1534 Lakh).

**2.46 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'**

(₹ Lakh)

	Year ended 31.03.2022	Year ended 31.03.2021
(i) Amount charged to Statement of Profit and Loss excluding depreciation:		
- As FERV	65	-
- As Borrowing cost	7353	(5539)
(ii) Amount charged to Expenditure Attributable to Construction:		
- As FERV	119	102
- As Borrowing cost	1343	-
(iii) Amount adjusted by addition to carrying amount of fixed assets	-	-

**2.47 Disclosure as per Ind AS 23 'Borrowing Cost'**

Borrowing costs capitalised during the year is ₹ 7840 Lakh (P.Y.: ₹ 4155 Lakh).

**2.48 Information on 'Related Party Disclosures' as per Ind AS 24 is provided as under:**
**a) List of Related Parties –**

- Directors & Key Management Personnel:





**Parent Company**

Shri Nand Lal Sharma	Chairman and Managing Director (CMD)
Smt. Geeta Kapur	Director (Personnel)
Sh. Surinder Pal Bansal	Director (Civil)
Sh. Akhileshwar Singh	Director (Finance)
Sh. Susheel Sharma	Director (Electrical)
Sh. Tanmay Kumar	Nominee Director, Government of India upto 31.08.2021
Sh. Raghuraj Rajendran	Nominee Director, Government of India w.e.f 13.09.2021
Sh. Ram Subhag Singh	Nominee Director, Government of Himachal Pradesh upto 02.06.2021
Sh. Ram Dass Dhiman	Nominee Director, Government of Himachal Pradesh w.e.f. 22.06.2021
Sh. Subhash Chander Negi	Independent Director upto 25.03.2022
Sh. Rajnish Pande	Independent Director upto 25.03.2022
Dr. Udeeta Tyagi	Independent Director w.e.f.08.11.2021
Sh.Saroj Ranjan Sinha	Independent Director w.e.f. 08.11.2021
Dr. Danveer Singh Yadav	Independent Director w.e.f. 09.11.2021
Shri Soumendra Das	Company Secretary

**Subsidiary Companies:****a) SJVN Thermal Pvt. Ltd.**

Sh. Nand Lal Sharma	Chairman
Sh. Akhileshwar Singh	Director
Smt. Geeta Kapur	Director
Sh. Surinder Pal Bansal	Additional Director
Sh. Susheel Sharma	Director
Sh. Sanjeev Sood	Chief Executive Officer
Sh. Surendra Lal Sharma	Chief Financial Officer
Sh. 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. Akhileshwar Singh	Director (Finance)
Sh. Susheel Sharma	Director (Electrical)
Sh. Arun Dhiman	CEO
Sh. Jitendra Yadav	CFO
Sh. Sujit Jha	Company Secretary

**ii) Entities where control / significant influence exists****Subsidiaries:**

Name of Entity	% of Shareholding/ voting Power			
	Principal Place of Operation / Country of Incorporation	Principal activities	As at March 31, 2022	As at March 31, 2021
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%
SJVN Green Energy Ltd. (Incorporated in India on 30.03.2022)	India	Power Generation	100%	-

**iii) Joint Ventures:**

Name of Entity	% of Shareholding/ voting Power			
	Principal Place of Operation / Country of Incorporation	Principal activities	As at March 31, 2022	As at March 31, 2021
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.2.20). 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

\* Executive Director superannuated on 31.12.2021

**b) Transactions with related parties-**
**i) Transactions with Joint Ventures and Key Management Personnel (KMP) are as follows.**
**(₹ Lakh)**

Sr. No.	Particulars	Joint Venture Companies		Key Management Personnel (KMP) & their relatives	
		F.Y. 21-22	F.Y. 20-21	F.Y. 21-22	F.Y. 20-21
<b>A.</b>	<b>Transactions During the Year</b>				
<b>1.</b>	<b>Investment in Share Capital including Share Application Money</b>				
a)	Kholongchhu Hydro Energy Ltd.	5000	2390		
<b>2.</b>	<b>Dividend Income</b>				
a)	Cross Border Power Transmission Company Ltd.	139	265		
<b>3.</b>	<b>Sitting Fees to Directors</b>			19	11
<b>4.</b>	<b>Remuneration to relatives of directors</b>			113	80
<b>B.</b>	<b>Outstanding Balances at the year end</b>				
<b>1.</b>	<b>Amount Recoverable</b>				
a)	Kholongchhu Hydro Energy Ltd.	12	117		

**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 Group towards superannuation and employee benefits are recovered from these companies.
- Outstanding balances of subsidiary and 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 31.03.2022	Year ended 31.03.2021
i)	Short Term Employee Benefits	814	427
ii)	Post Employment Benefits	23	20
iii)	Other Long Term Employee Benefits	146	34
	<b>Total</b>	<b>983</b>	<b>481</b>

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)	
	31.03.2022	31.03.2021
Loan to KMPs		
Beginning of the Year	91	77
Loans advanced	8	25
Loan repayments received	24	12
Interest charged	4	5
Interest received	6	4
End of the year	73	91

**Note:** Amount recoverable from JV is ₹ 12 Lakh (P.Y.: ₹ 117 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	2021-22	2020-21
1	Nathpa Jhakri Power Corporation Ltd. Employees Provident Fund Trust	Contributions during the year	7577	8241
2	NJPC Ltd. Employee Gratuity Fund	Contributions during the year	597	919
3	SJVN Employees Defined Contribution Pension Fund.	Contributions during the year	187	2269
4	Fund for SJVN PRMS	Contributions during the year	511	1108
5	SJVN Foundation Trust	Contributions during the year	5075	5350

## 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	2021-22	2020-21
<b>A. Transactions during the year</b>				
1	BHEL Ltd.	Purchase of spares / services	876	102
2	Indian Oil Corporation Ltd.	Purchase of fuel	105	52
3	POSOCO	RLDC Charges	176	99
4	BSNL	Services	147	101
5	Central Electronics Ltd.	Purchase of material / services	-	582
6	Himachal Tourism	Purchase of material / services	116	98
7	LIC	Insurance Policy	68	148
8	NBCC Ltd.	Purchase of material / services	-	495
9	EdCIL (India) Ltd.	Services	125	-
10	IREDA Ltd.	Services	1186	-
11	Rites Ltd.	Consultancy Services	2088	1009
12	NTPC Ltd.	Consultancy Services	2477	3236
13	Canara Bank Ltd.	Financing Charges	1068	1128
14	India Infrastructure Finance Company Ltd.	Financing Charges	594	952
15	State Bank of India	Financing Charges & Consultancy Services	1164	3021
16	SBI Capital Markets Ltd.	Consultancy Services	-	997
17	Other Entities	Purchase of material / services	526	1021
<b>B. Outstanding Balances</b>				
<b>1. Advance Outstanding</b>				
A	LIC	Central Public Sector Undertaking	64	-
B	BSNL	Central Public Sector Undertaking	-	2
C	Other Entities	Central & State Public Sector Undertakings	1105	694
<b>2. Amount Payable to</b>				
A	BHEL Ltd.	Central Public Sector Undertaking	748	1548
B	POSOCO	Central Public Sector Undertaking	9	8
C	BSNL	Central Public Sector Undertaking	5	34
D	Central Electronics Ltd	Central Public Sector Undertaking	-	7
E	Rites Ltd.	Central Public Sector Undertaking	139	14
F	SBI Capital Markets Ltd.	Central Public Sector Undertaking	-	458
G	Other Entities	Central & State Public Sector Undertakings	20	373

## a) Individually significant transaction

(₹ Lakh)

Particulars	Nature of relationship	2021-22	2020-21
<b>Equity Contributions Made</b>			
Kholongchhu Hydro Energy Ltd.	Joint Venture Company	5000	2390
<b>Dividend Paid during the year</b>			
Govt. Of India	Shareholder having control over company	36499	54160
Govt. Of Himachal Pradesh	Shareholder having control over company	16353	24265
<b>Guarantee Fee on Foreign Currency Loans paid</b>			
Govt. Of India	Shareholder having control over company	1862	2161
<b>Land Acquisition</b>			
Govt. Of Himachal Pradesh	Shareholder having control over company	8399	9000
<b>Compensatory Afforestation</b>			
Govt. Of Himachal Pradesh	Shareholder having control over company	8722	-





**2.49 Disclosure as per Ind AS 33 ‘Earnings Per Share’:-**

Calculation of Earnings Per Share (Basic and Diluted) is as under:

	Year Ended 31.03.2022	Year Ended 31.03.2021
Net Profit after Tax but before Regulatory Income used as numerator (₹ Lakh)	103362	137423
Net Profit after Tax and Regulatory Income used as numerator (₹ Lakh)	98980	164561
Weighted Average number of equity shares used as denominator	3929795175	3929795175
Earnings per Share before Regulatory Income (₹)		
– Basic & Diluted	2.63	3.50
Earnings per Share after Regulatory Income (₹)		
– Basic & Diluted	2.52	4.16
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, 2022

(₹ Lakh)

Particulars	As at April 1, 2021	For the year			As at March 31, 2022
		Additions	Write Back/Transfer	Utilisation	
Performance Related Pay	7319	4850	-	7319	4850
Interest on Arbitration Awards	41059	2745	306	-	43498
Community Development	6100	-	-	-	6100
Others	891	-	67	-	824
<b>Total</b>	<b>55369</b>	<b>7595</b>	<b>373</b>	<b>7319</b>	<b>55272</b>

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
<b>Total</b>	<b>20468</b>	<b>34368</b>	<b>-</b>	<b>6400</b>	<b>55369</b>

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 Group’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 Group not acknowledged as debts in respect of :**

(₹ Lakh)

Particulars	As at 31.03.2022	As at 31.03.2021
Capital Works	67076	53652
Land Compensation	2506	2506
Disputed Income Tax Demand	1048	1246
Guarantee	2174	-
Others	24904	20109
<b>Total</b>	<b>97708</b>	<b>77513</b>

**(i) Capital works**

Contractors have lodged claims aggregating to ₹ 67902 Lakh (P.Y.: ₹ 96866 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.: ₹ 2506 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 previous year Income Tax Department had raised a demand of ₹1246 lakh for A.Y 2018-19. The Group is contesting the case & filed an appeal with CIT (Appeals) and has accordingly deposited ₹249 lakh towards disputed income tax demand during the year. There is also a contingent liability amounting to ₹ 51 Lakh towards TDS related demands.

**(iv) Guarantees**

Group has provided guarantee to custom department of Nepal and guarantee for margin money on behalf of contractor for acceleration of works at SAPDC, Nepal.

**(v) Others**

Other Contingent liability is mainly in respect of bills discounted with banks against trade receivables amounting to ₹ 24904 (P.Y.: ₹ 20107 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 below:

(₹ Lakh)							
Sl. No.	Particulars	Claims as on 31.03.2022	Provision against the claims	Contingent liability as on 31.03.2022	Addition of Contingent Liability for the period	Adjustment / Deduction in Contingent Liability for the period	Contingent liability as on 31.03.2021
1.	Capital Works	67902	826	67076	17117	3693	53652
2.	Land Compensation	2506	-	2506	-	-	2506
3.	Income Tax Demand	1048	-	1048	51	249	1246
4.	Guarantee	2174	-	2174	2174	-	-
5.	Others	24904	-	24904	24902	20107	20109
	<b>Total</b>	<b>98534</b>	<b>826</b>	<b>97708</b>	<b>44244</b>	<b>24049</b>	<b>77513</b>

(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 31.03.2022	As on 31.03.2021
1) JHC		
Pertaining of demand of SJVN for recovery of cost in lieu of non returning of dewatering equipment.	-	43
2) Late Payment Surcharge due from beneficiaries	1941	1705
3) Revenue to the extent not recognised in respect of hydro power stations	15145	34741
4) Insurance claims	-	445
5) Compensation from contractors in respect of renewable power projects	14329	12380
6) Interest Recoverable from Contractors	5235	4668
<b>Total</b>	<b>36650</b>	<b>53982</b>

(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 ₹ 1941 lakh as on 31 March 2022 (P.Y.: ₹ 1705 lakh) has not been recognised.

(b) The company has filed a review petition with CERC against the tariff order of RHPS For the period 2014-19. 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 Group 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 31.03.2022	As on 31.03.2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	1087241	1127520
Other commitments (on account of Repair & Maintenance and Supply of Material etc)	11299	7005
<b>Total</b>	<b>1098540</b>	<b>1134525</b>







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 ₹ 35957 Lakh (P.Y.: ₹ 40957 Lakh) towards further investment in the joint venture entities as at 31 March 2022.  
 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. 2021-22	F.Y. 2020-21	F.Y. 2021-22	F.Y. 2020-21
1	Govt. of H.P.	59549	64151	24.64	25.81
2	PDD, J&K	28476	32455	11.78	13.06
3	U.P. Power Corporation	45390	46254	18.78	18.61
4	Punjab State Power Corporation Ltd	22033	22891	9.11	9.21
	<b>Total</b>	<b>155448</b>	<b>165751</b>	<b>64.31</b>	<b>66.69</b>

### 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, 2022 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 31.03.2022	As at 31.03.2021
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%
3 SJVN Green Energy Ltd	Generation of Power	India	100%	-

#### b) Interest in joint ventures

The group's interest in joint ventures as at 31st March, 2022 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 31st March 2022	Carrying amount (₹ Lakh)	
					31st March 2021	31st March 2022
Kholongchhu Hydro Energy Limited	Bhutan	50	Joint Venture (1)	*	*	24043
Cross Border Power Transmission Company Limited	India	26	Joint Venture (2)	*	*	3299

\* Unlisted entity- no quoted price available

1. 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.

2. 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 2022 using the Equity Method :

	Kholongchhu Hydro Energy Limited		Cross Border Power Transmission Company Limited	
	As at 31.03.22 (Unaudited)	As at 31.03.21 (Unaudited)	As at 31.03.22 (Unaudited)	As at 31.03.21 (Audited)
<b>Current Assets</b>				
Cash and cash equivalents	1473	740	2617	1824
Other Assets	89	84	3985	3659
<b>Total Current Assets</b>	<b>1562</b>	<b>824</b>	<b>6602</b>	<b>5483</b>
<b>Total Non-current Assets</b>	<b>44710</b>	<b>36323</b>	<b>19181</b>	<b>20377</b>





(₹ Lakh)

	Kholongchhu Hydro Energy Limited		Cross Border Power Transmission Company Limited	
	As at 31.03.22 (Unaudited)	As at 31.03.21 (Unaudited)	As at 31.03.22 (Unaudited)	As at 31.03.21 (Audited)
<b>Current liabilities</b>				
Current financial liabilities (excluding trade and other payables and provisions)	168	225	1529	1556
Other Liabilities	912	402	250	211
<b>Total Current Liabilities</b>	<b>1080</b>	<b>627</b>	<b>1779</b>	<b>1767</b>
<b>Non-current liabilities</b>				
Non-current financial liabilities (excluding trade and other payables and provisions)	107	99	10876	12156
Other Liabilities	-	-	438	440
<b>Total Non-current Liabilities</b>	<b>107</b>	<b>99</b>	<b>11314</b>	<b>12596</b>
<b>Net Assets</b>	<b>45085</b>	<b>36421</b>	<b>12690</b>	<b>11497</b>

**Reconciliation to carrying amounts**

(₹ Lakh)

	Kholongchhu Hydro Energy Limited		Cross Border Power Transmission Company Limited	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
<b>Opening net assets</b>	36421	33281	11497	10997
Profit/(loss) for the year		-	1726	1519
Dividends paid		-	(533)	(1019)
Equity infused	8664	3140	-	-
<b>Closing net assets</b>	<b>45085</b>	<b>36421</b>	<b>12690</b>	<b>11497</b>
Group's share in %	50	50	26	26
Group's share in INR	22543	18211	3299	2989
Other Adjustments*	1500	832	-	-
<b>Carrying amount</b>	<b>24043</b>	<b>19043</b>	<b>3299</b>	<b>2989</b>

\* 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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Revenue	-	-	723	713
Interest Income/Other Income	-	-	2725	2630
Cost of raw material and components consumed	-	-	-	-
Depreciation & amortization expense	-	-	2	3
Finance cost	-	-	1237	1361
Employee benefits expense	-	-	134	109
Other expense	-	-	349	351
Profit before tax	-	-	1726	1519
<b>Profit for the year (continuing operations)</b>	<b>-</b>	<b>-</b>	<b>1726</b>	<b>1519</b>
<b>Total comprehensive income for the year (continuing operations)</b>	<b>-</b>	<b>-</b>	<b>1726</b>	<b>1519</b>

**2.54 Disclosure relating to creation of Regulatory Deferral Accounts as per Ind AS 114:**

a) 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.

b) 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.

c) 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 upto 31.03.2019 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.

d) During the previous year, Group had 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.

e) Risks associated with future recovery/reversal of regulatory deferral account balances:

i) Demand risk due to changes in consumer attitudes, the availability of alternative sources of supply.

ii) 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.

iii) Other market risks, if any.

The Group has created regulatory assets and recognized corresponding regulatory income up to period ended 31.03.2022 as under : (₹ Lakh)

Regulatory asset created in relation to:	Up to FY 2020-21	For the year ended 31.03.2022	Total up to 31.03.2022
Exchange rate variation regarded as Borrowing Costs	25151	1542	26693
Employee Benefit expense (Pay- revision w.e.f 01.01.2017)	23772	-	23772
Interest on arbitration award	25782	2559	28341
O&M / Security Expenses recoverable in tariff	11465	(9411)	2054
<b>Total</b>	<b>86170</b>	<b>(5310)</b>	<b>80860</b>

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 2022	31 March 2021	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>Geographical markets</b>						
India	240868	244807	(232)	-	240636	244807
Others	-	-	-	-	-	-
	<b>240868</b>	<b>244807</b>	<b>-</b>	<b>-</b>	<b>240636</b>	<b>244807</b>
<b>Timing of revenue recognition</b>						
On transfer of ownership and control of Products and services	240868	244807	-	-	240636	244807
	<b>240868</b>	<b>244807</b>	<b>-</b>	<b>-</b>	<b>240636</b>	<b>244807</b>

### III. Reconciliation of revenue recognised with contract price:

(₹ Lakh)

Particulars	As at 31 March 2022
Contract price	238489
Adjustments for:	
Regulated Power Adjustment-Margin	-





(₹ Lakh)

Particulars	As at 31 March 2022
Regulated Power Adjustment – Expenses	-
Advance Against Depreciation	3224
Rebates	(845)
<b>Revenue recognised</b>	<b>240868</b>

**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 2022		As at 1 April 2021	
	Current	Non-current	Current	Non-current
Trade receivables	57503	-	52191	-
Unbilled revenue	24908	-	25321	-
Amount receivable for late payment surcharge	-	-	33179	-
Advances from customers	392	-	3695	-

The aging schedule of Trade Receivables is as below

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2022					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	15631	18454	23403	15	-	57503

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2021					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	23066	28633	90	-	402	52191

The aging schedule of Unbilled Revenue is as below:

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2022					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled Revenue	22854	-	2054	-	-	24908

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2021					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled Revenue	25321	-	-	-	-	25321

**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 Group 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'**

- 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
  - 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, 2022 on an undiscounted basis are as follows : (₹ Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	786	1041
One to five years	539	949
More than five years	207	213
<b>Total</b>	<b>1532</b>	<b>2203</b>

5. The Group 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.

**2.57 Other disclosures as per Schedule-III of the Companies Act, 2013 are as under:-**

**1) (₹ Lakh)**

(A) Expenditure in foreign currency	Year ended 31.03.2022	Year ended 31.03.2021
i) Consultancy	-	-
ii) Financing Charges (ECBs)	-	-
iii) Interest on External Commercial Borrowings (ECBs)	5651	-
iv) Interest on World Bank Loan.	862	1753
v) Dividend Paid	-	-
vi) Other Miscellaneous Matters	580	2678
<b>(B) Earnings in foreign currency</b>	-	-
<b>(C) Value of Import calculated on CIF basis</b>		
i) Capital Goods	9589	9642
ii) Spare Parts	-	63
<b>(D) Value of components, stores and spare parts consumed</b>		
i) Imported	47 (2.80%)	1383 (74.10%)
ii) Indigenous	1632 (97.20%)	483 (25.90%)

**2) Aging Schedule for Trade Payables due for payment:**

- a) The aging schedule for trade payable other than unbilled dues is as below : (₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	255	-	-	-	255
(ii) Others	1917	2	-	2	1921
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	286	-	-	-	286
(ii) Others	2073	-	-	1	2074
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

- b) The aging schedule for unbilled dues in trade payables is as below :

(₹ Lakh)

Particulars	Outstanding for following periods from due date of transaction as on 31.03.2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	436	7	2	-	445
(ii) Others	1046	31	7	11	1095
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-







(₹ Lakh)

Particulars	Outstanding for following periods from due date of transaction as on 31.03.2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	352	4	-	-	356
(ii) Others	1464	42	-	11	1517
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-

**3) Title deeds of immovable property not held in the name of the Group**

The details of the immovable property (other than properties where the Group is a lessee) whose title deeds are not held in the name of the Group as on 31.03.2022 is as below:

Sr. No.	Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value (₹ Lakhs)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relatives of promoter / director of employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
1	PPE	Buildings-Freehold	5	HPSEB Ltd.	-	01.08.1991	Transferor has not executed the conveyance deed.

The details of the immovable property (other than properties where the Group is a lessee) whose title deeds are not held in the name of the Group as on 31.03.2021 is as below:

Sr. No.	Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value (₹ Lakhs)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relatives of promoter / director of employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
1	PPE	Buildings-Freehold	5	HPSEB Ltd.	-	01.08.1991	Transferor has not executed the conveyance deed.

**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 2022	31 March 2021	31 March 2022	31 March 2021
Kholongchhu Hydro Energy Ltd.	12	117	117	117

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 : 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 2022 as required by Micro, Small and Medium Enterprises Development Act, 2006.**

(₹ Lakh)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
a) Amount remaining unpaid to any supplier:		
Principal amount	782	1034
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:-**

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	1912	1912
iii)	Actual Generation (Million Units)	9048.57	9094.26

**b) Wind/Solar Power:-**

Sr. No.	Particulars	Year ended 31.03.2022	Year ended 31.03.2021
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	102.60	102.60
iii)	Actual Generation (Million Units)	158.50	129.23

**2.62 Payment to Auditors includes:**

(₹ Lakh)

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
As Auditors		
- Statutory Audit	15	18
- Tax Audit	3	4
- Limited Review	6	10
For other services (Certificates etc.)	2	4
Reimbursement of Expenses	4	2
Reimbursement of GST	4	6
<b>Total</b>	<b>34</b>	<b>44*</b>

\* 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 31.03.2022	As at 31.03.2021
Borrowings, including Interest Accrued but not due thereon.	USD	379981	169486

**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 ₹ 3947 lakh [(2% of Average Profit Before Tax of immediately previous three years (P.Y ₹ 3600 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 ₹ 5075 lakh (P.Y: ₹ 5350 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)

S.N.	Activities	As at 31st March, 2022	As at 31st March, 2021
1	Health and hygiene	1194	771
2	Education and Skill Development	553	382
3	Promotion of Gender Equality, Empowering women etc	159	23
4	Sustainable Development	527	70
5	Protection of national heritage, art and culture etc	985	351
6	Benefits of armed forces veterans ,war widows and their dependants	14	3
7	Preservation and promotion of culture, Melas, Sports etc.	34	18
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	991	522
11	Slum Area Development	7	5
12	Assistance to the victims natural disasters/ calamities	345	682
13	Miscellaneous CSR activities& Administrative Exp.	358	419
	<b>Total</b>	<b>5167</b>	<b>5286</b>





b) (i) Amount spent during the year ended 31st March 2022.

(₹ Lakh)

Particulars	In cash	Yet to be paid in cash	Amount
a) Construction/Acquisition of any Asset	1925	59	1984
b) On Purpose other than (a) above	3173	10	3183

(ii) 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

**2.65 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
<b>A. Parent (SJVN Ltd.)</b>								
31.03.22	62.41	822044	98.56	97543	100.00	(163)	98.56	97390
31.03.21	69.17	884764	98.99	162905	100.00	(166)	98.99	162740
<b>B. Indian Subsidiaries</b>								
<b>SJVN Thermal Private Limited</b>								
31.03.22	19.07	251165	(0.11)	(114)	-	-	(0.11)	(114)
31.03.21	16.80	214923	0.07	114	-	-	0.07	114
<b>SJVN Green Energy Ltd.</b>								
31.03.22	-	-	(0.04)	(39)	-	-	(0.04)	(39)
31.03.21	-	-	-	-	-	-	-	-
<b>C. Foreign Subsidiaries</b>								
31.03.22	16.44	216483	1.14	1131	-	-	1.14	1131
31.03.21	12.31	157410	0.70	1159	-	-	0.70	1159
<b>D. Indian Joint Ventures</b>								
<b>Cross Border Power Transmission Company Ltd.</b>								
31.03.22	0.25	3299	0.45	449	-	-	0.45	449
31.03.21	0.23	2989	0.24	394	-	-	0.24	394
<b>E. Foreign Joint Ventures</b>								
<b>Kholongchhu Hydro Energy Ltd.</b>								
31.03.22	1.83	24043	-	-	-	-	-	-
31.03.21	1.49	19043	-	-	-	-	-	-
<b>TOTAL</b>								
31.03.22	100	1317034	100	98980	100	(163)	100	98817
31.03.21	100	1279129	100	164572	100	(166)	100	164406

**2.66 Ratios**

The following are analytical ratios for the Year ended 31st March 2022 and 31st March 2021.

Sr. No.	Particulars	Numerator	Denominator	31st March 2022	31st March 2021	Variance
1	Current Ratio	Current Assets	Current Liabilities	1.57	1.55	0.93%
2	Debt-Equity Ratio	Paid up debt capital	Shareholders Equity	0.53	0.17	211.80%*
3	Debt-Service Coverage Ratio	Profit before tax + interest + depreciation + exceptional items	Interest + Scheduled principal repayments of long term borrowings during the year	5.31	8.67	(38.74)%#
4	Return on Equity Ratio	Net profit for the year	Average Shareholders Equity	7.63%	13.25%	(42.45)%#
5	Inventory Turnover Ratio	Revenue From Operations	Average Inventory	40.69	47.05	(13.52)%
6	Trade Receivables Turnover Ratio	Revenue From Operations	Average Trade Receivables	4.41	3.93	12.27%





Sr. No.	Particulars	Numerator	Denominator	31st March 2022	31st March 2021	Variance
7	Trade payables Turnover Ratio	Other Expenses Less CSR expenses	Average Trade Payables	8.47	7.41	14.26%
8	Net Capital turnover ratio	Revenue From Operations	Net Working Capital	1.63	2.50	(34.85%)*
9	Net profit ratio	Profit for the year	Revenue From Operations	40.95%	66.22%	(38.16%)#
10	Return on Capital Employed	Earning Before Interest, Tax and Exceptional Items	Shareholders Equity + Paid up Debt Capital	7.32%	14.73%	(50.33%)*#

\* The Group has raised short term and long term borrowings during the year to finance the capex and working capital requirements.

# In the previous year Late payment surcharge from beneficiaries was recognised after amended Regulation 59 of CERC Regulations, 2019. Accordingly profit for previous year was comparatively higher.

**2.67** Group is mainly engaged in the business of generation of electricity and the tariff of power generation are regulated in terms of CERC Tariff Regulations. Due to the various steps taken by the group, there has been no significant impact of the COVID-19 on the generation of electricity / construction activities undertaken by the group.

**2.68** 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 Balance Sheet and Statement of Profit and Loss.

**For APT & Co LLP**

Chartered Accountants  
FRN-014621C/N500088

**(Avinash Gupta)**  
Partner  
M.No. 513349  
UDIN-22513349AJTPFV5085

**Place: Shimla / New Delhi**

**Date: May 25, 2022**

**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	3
2	Name of the subsidiary	SJVN Thermal Private Ltd.	SJVN Arun-3 Power Development Company Pvt. Ltd.	SJVN Green Energy Ltd.*
3	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	From 1st April 2021 to 31st March, 2022	From 16th July 2020 to 15th July, 2021	From 1st April 2021 to 31st March, 2022
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	N.A (Indian Company)
5	Share capital	251168	152717	5000
6	Reserves & surplus	(39)	2477	(39)
7	Total Assets	437654	193647	5000
8	Total Liabilities	186525	38453	39
9	Investments	-	-	-
10	Turnover	-	-	-
11	Profit (Loss) before taxation	(81)	1464	(39)
12	Provision for taxation	33	366	-
13	Profit (Loss) after taxation	(114)	1098	(39)
14	Proposed Dividend	-	-	-
15	% of shareholding	100	100	100

\* Incorporated in India on 30.03.2022.

1. SJVN Thermal Private Ltd. , SJVN Arun-3 Power Development Company Private Ltd. & SJVN Green Energy Ltd. is yet to commence business.
2. Names of subsidiaries which have been liquidated or sold during the year. - NIL








**Part “B”: Associates and Joint Ventures**  
**Statement pursuant to Section 129 (3) of the Companies Act, 2013**  
**related to Associate Companies and Joint Ventures (₹ Lakh)**

Name of Associates/Joint Ventures	Cross Border Power Transmission Company Limited	Kholongchhu Hydro Energy Limited
<b>1. Latest audited Balance Sheet Date</b>	Audited up to 31.03.2021	Audited up to 31.12.2021
<b>2. Shares of Associate/Joint Ventures held by the company on the year end</b>	26%	50%
No. of shares	1,26,12,473 shares of ₹10 each	2,40,42,730 Equity Shares of ₹100/- each
Amount of Investment in Associates/Joint Venture	1261	24043
Extent of Holding %	26%	50%
<b>3. Description of how there is significant influence</b>	-	-
<b>4. Reason why the Associate/Joint venture is not consolidated</b>	Consolidated	Consolidated
<b>5. Net Worth attributable to Shareholding as per latest Audited Balance Sheet</b>	2989	22543
<b>6. Profit / Loss for the year (After tax)</b>		
i. Considered in Consolidation	449	-
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 APT & Co LLP**  
**Chartered Accountants**  
**FRN-014621C/N500088**

  
**(Avinash Gupta)**  
 Partner  
 M.No. 513349  
 UDIN-22513349AJTPFV5085

Place: Shimla / New Delhi  
 Date: May 25, 2022

**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.	2021-22	Interim	₹1.15	10-02-2022	22-02-2022
2.	2020-21	Final	₹0.40	29-09-2021	22-09-2021
3.	2020-21	Interim	₹1.80	12-02-2021	24-02-2021
4.	2019-20	Final	₹0.50	29-09-2020	22-09-2020
5.	2019-20	Interim	₹1.70	13-02-2020	26-02-2020
6.	2018-19	Final	₹0.65	27-09-2020	20-09-2020
7.	2018-19	Interim	₹1.50	08-02-2019	20-02-2019
8.	2017-18	Final	₹0.50	25-09-2018	18-09-2018
9.	2017-18	Interim	₹1.90	09-02-2018	22-02-2018
10.	2016-17	Final	₹0.50	22-09-2017	15-09-2017
11.	2016-17	Interim	₹ 2.25	13-02-2017	24-02-2017
12.	2015-16	Final	₹ 0.47	22-09-2016	15-09-2016
13.	2015-16	Interim	₹ 0.63	04-02-2016	17-02-2016
14.	2014-15	Final	₹ 0.42	22-09-2015	15-09-2015
15.	2014-15	Interim	₹ 0.63	05-02-2015	18-02-2015
16.	2013-14	Final	₹ 0.98	09-09-2014	02-09-2014
17.	2012-13	Final	₹ 0.96	12-09-2013	05-09-2013
18.	2011-12	Final	₹ 0.94	03-09-2012	27-08-2012
19.	2010-11	Final	₹ 0.80	26-08-2011	19-08-2011
20.	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><b>Shri Soumendra Das</b> 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><b>Alankit Assignments Limited,</b> 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





## VISION

- To be the best-in-class Indian Power Company, globally admired for developing affordable clean power and sustainable value to all stakeholders.



## MISSION

To drive socio-economic growth and optimize shareholders' and stakeholders' interest by:

- Developing and operating projects in cost effective and socio-environment friendly manner.
- Nurturing human resources talent with care.
- Adopting innovative practices for technological excellence.
- Focusing on continuous growth and diversification.



## OBJECTIVES

In the pursuit of above mission, the company had set for itself the following Corporate Objectives :-

- Operating and Maintaining Power Stations with maximum performance efficiency.
- Establishing and following sound business, financial and regulatory policies.
- Taking up of other Hydro Power Projects.
- Completion of the new projects allocated to SJVN in an efficient and cost effective manner.
- Use of the best Project Management Practices towards project implementation by applying latest and universally accepted Project Management Techniques and by enabling its engineers to become certified Project Managers through further training.
- Dissemination of available in-house technical and managerial expertise to other Utilities/Projects.
- Creating a work culture and work environment conducive to the growth and development of both the organization and the individuals through introduction of participative management philosophy.
- Fulfilling social commitments towards society. Achieving constructive cooperation and building personal relations with stakeholders, peers and other related organizations.
- Striving for clean and green project environment with minimal ecological and social disturbances.
- To strive for acquiring Nav Ratna Status.

## एसजेवीएन लिमिटेड

(भारत सरकार एवं हिमाचल प्रदेश सरकार का संयुक्त उपक्रम)

मिनी रत्न एवं श्रेड्यूल 'ए' पीएसयू

Visit us at : [www.sjvn.nic.in](http://www.sjvn.nic.in)



## 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)  
**Phone:** 0177-2660075, **Fax:** 0177-2660071, **Visit us at:** [www.sjvn.nic.in](http://www.sjvn.nic.in)