



एनएचपीसी लिमिटेड
(भारत सरकार का उद्यम)

NHPC Limited
(A Government of India Enterprise)

फोन/Phone : _____

दिनांक/Date : _____

संदर्भ सं./Ref. No. _____

NH/CS/199

20.10.2020

<p>Manager The Listing Department, M/s BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001</p> <p>मैनेजर, लिस्टिंग विभाग, बीएसई लिमिटेड पि.जे. टावर्स, दलालस्ट्रीट, मुंबई- 400 001 Scrip Code: 533098</p>	<p>General Manager The Listing Department M/s National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra(E), Mumbai- 400051</p> <p>महाप्रबंधक, लिस्टिंग विभाग, नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड एक्सचेंज प्लाजा, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (ई), मुंबई - 400 051 Scrip Code: NHPC</p>
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ISIN No. INE848E01016

Sub: Minutes of 44th Annual General Meeting of NHPC Limited

विषय: एनएचपीसी लिमिटेड की 44वीं वार्षिक आम बैठक के कार्यवृत्त के संदर्भ में

Sirs/महोदय,

In terms of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of minutes of 44th Annual General Meeting (AGM) of NHPC Limited held on September 29, 2020 through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).

This is for information and record.

सेबी (लिस्टिंग दायित्वों और प्रकटीकरण आवश्यकताओं), विनियमन, 2015 के नियमन 30 के अनुसार, कृपया एनएचपीसी लिमिटेड की 44वीं वार्षिक आम बैठक (एजीएम) जो दिनांक 29 सितंबर, 2020 को वीडियो कॉन्फ्रेंसिंग (वीसी) /अन्य ऑडियो विजुअल मीन्स (ओएवीएम) के माध्यम से आयोजित की गयी थी, कार्यवृत्त की प्रति संलग्न है।

यह आपकी जानकारी और रिकॉर्ड के लिए है।

धन्यवाद,

संलग्न: उपरोक्त अनुसार

भवदीय

(विजय गुप्ता)
कंपनी सचिव

पंजीकृत कार्यालय : एन एच पी सी ऑफिस कॉम्प्लेक्स, सैक्टर-33, फरीदाबाद - 121 003, हरियाणा

Regd. Office : NHPC Office Complex, Sector-33, Faridabad - 121 003, Haryana

CIN : L40101HR1975GOI032564; Website : www.nhpcindia.com

E-mail : webmaster@nhpc.nic.in; EPABX No. : 0129-2588110/2588500

बिजली से संबंधित शिकायतों के लिए **1912** डायल करें। **Dial 1912 for Complaints on Electricity**

MINUTES OF THE 44TH ANNUAL GENERAL MEETING OF THE MEMBERS OF NHPC LIMITED HELD ON TUESDAY, 29TH SEPTEMBER, 2020 AT 03:00 P.M. THROUGH VIDEO CONFERENCING (“VC”)/ OTHER AUDIO VISUAL MEANS (“OAVM”).

TIME OF COMMENCEMENT : 03:00 P.M.

TIME OF CONCLUSION : 04:40 P.M.

PRESENT THROUGH VC/ OAVM:

1.	Shri Abhay Kumar Singh	:	Chairman & Managing Director and Member
2.	Shri Ratish Kumar	:	Director (Projects) and Member
3.	Shri Nikhil Kumar Jain	:	Director (Personnel)
4.	Shri Mahesh Kumar Mittal	:	Director (Finance)
5.	Shri Yamuna Kumar Chaubey	:	Director (Technical)
6.	Shri Vijay Gupta	:	Company Secretary and Member

The following persons joined the meeting as an Invitee:

<u>Through VC / OAVM</u>			
Statutory Auditors			
1.	Shri Sanjay Jain	:	Authorized representative of M/s DSP & Associates, Chartered Accountants
2.	Shri H.K. Verma	:	Authorized representative of M/s Lodha & Co., Chartered Accountants
Secretarial Auditor			
1.	Shri Sachin Agrawal	:	Representative of M/s Agrawal S. & Associates, Company Secretaries
<u>Attended in person</u>			
1.	Shri Suman Kumar, Practicing Company Secretary	:	Scrutinizer for the e-voting process

1. In aggregate **195** members joined through video conferencing.
2. Shri Abhay Kumar Singh, Chairman and Managing Director chaired the meeting in accordance with Articles of Association of the Company.
3. At the outset, Company Secretary welcomed the Members. He informed the members that the AGM was being held through Video Conferencing / Other Audio-Visual Means in compliance with the circulars issued by Ministry of Corporate Affairs, Government of India and Securities and Exchange Board of India. Accordingly, the shareholders were provided the facility to join the AGM through Video Conferencing / Other Audio-Visual Means.
4. He also informed that the members joining the meeting were, by default, put on mute mode by the host to avoid any background noise disturbance and to ensure smooth conduct of the AGM. There would be a separate Question & Answer session in which the Chairman and Managing Director shall announce the name of the shareholders, who had registered themselves as speaker. Thereafter, the speaker shareholders would be allowed to express their view / ask questions. In addition, the shareholders desirous to put up their question concurrently can use the chat box facility in the e-meeting portal.
5. The Company Secretary further informed the members that the Company had provided NSDL administered remote e-voting facility to members to cast their votes electronically on the items mentioned in the notice of AGM dated September 1, 2020. Company Secretary explained that the facility to vote on resolutions through electronic voting system during the meeting was also made available to the members who had not casted their votes through remote e-voting. The members would also be able to cast their vote electronically during the AGM by following the instructions mentioned in the notice of the AGM.
6. The Company Secretary also informed that the result of electronic voting would be declared within 48 hours from the conclusion of the AGM. The results of e-voting along with consolidated scrutinizer's report would be intimated to Stock Exchanges and also be uploaded on the website of the Company as well as on the website of e-voting service provider i.e. M/s National Depository Securities Limited.

7. As the AGM was being held through Video Conferencing / Other Audio-Visual Means, there would be no physical attendance by shareholders and the facility for appointment of proxies by the members was not available.
8. The Company Secretary confirmed the presence of quorum to the Chairman and Managing Director and requested him to initiate the proceedings.
9. The Chairman and Managing Director called the meeting in order, as requisite quorum was present. Thereafter, Chairman and Managing Director welcomed all members, directors and invitees present in the meeting. He confirmed that the Company had taken all feasible steps to ensure that maximum no. of shareholders participate in the AGM through video conferencing and vote.
10. Thereafter, Chairman and Managing Director requested other Board members to introduce themselves and confirm their attendance. The Members of the Board introduced themselves to the members.
11. After the introduction, Chairman and Managing Director informed that Shri Tanmay Kumar, Joint Secretary (MoP) and Govt. Nominee Director could not attend the meeting due to some of his prior-commitments. He also informed that there were no Independent director on the Board of the Company since 07.09.2020. Since, all the Directors of the Company were being appointed/ nominated by the President of India acting through Ministry of Power, Govt. of India, therefore, requests had been made to Government of India through Ministry of Power / Department of Public Enterprises to appoint requisite number of Independent Director on the Board of the Company. Accordingly, various statutory committees of the Board are to be reconstituted.
12. Chairman and Managing Director apprised that Sh. Sanjay Jain from M/s. DSP & Associates and Shri H. K. Verma from M/s. Lodha & Co., representatives of Joint Statutory Auditors and Sh. Sachin Agarwal representative of M/s. Agrawal. S & Associates, Secretarial Auditor were present through VC in the meeting. Shri Suman Kumar of M/s Suman Kumar & Associates, New Delhi, Scrutinizer present in person during the meeting to scrutinize e-voting process in a fair and transparent manner.

13. Chairman and Managing Director informed the members that as per the provisions of Companies Act 2013, the statutory registers were available on the website of NSDL for electronic inspection by members during the meeting.
14. With the consent of the members, the Notice convening the Meeting and Directors' Report were taken as read. The Chairman and Managing Director then apprised the members about performance of the Company since last meeting and read his speech. A copy of Chairman's speech is attached as Annexure-I.
15. The Chairman and Managing Director informed that the Joint Statutory Auditors' had no qualifications / observations on the Financial Statements of the Company. However, Secretarial Auditor had certain observations. Chairman and Managing Director requested Sh. Sachin Agrawal, representative of Secretarial Auditor to read the qualifications/ observations, in the Secretarial Auditor's Report. Thereafter, Shri Agrawal read the observations in his report. Attention of the Members was drawn to the replies of management to the qualifications / observations in the Secretarial Audit Report as contained in annual report, which were taken as read.
16. Following agenda and resolutions were deemed to be approved by the members:

ORDINARY BUSINESS:

Item no. 1

To consider and adopt:

a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020, along with the Board's Report, the Report of Auditors' thereon and Comments of the Comptroller & Auditor General of India; and

b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, the Report of Auditors' thereon and Comments of the Comptroller & Auditor General of India.

“RESOLVED THAT the audited financial statements (including Consolidated Financial Statements) of the Company for the financial year ended 31st March 2020, together with the Board’s Report, the Report of Auditors’ thereon and Comments of the Comptroller & Auditor General of India be and are hereby considered and adopted.”

Item no. 2

To confirm the payment of interim dividend and declare final dividend for the financial year 2019-20

“RESOLVED THAT an interim dividend @ 11.80% (Rs. 1.18 per equity share) of the paid-up equity share capital of the Company paid in March, 2020 be and is hereby noted/confirmed and pursuant to the recommendation of the Board of Directors, final dividend @ 3.20 % (i.e. Re. 0.32 per equity share) of the paid-up equity share capital of the Company be paid out of the profits of the Company for the financial year 2019-20. The said dividend be paid to the Equity Shareholders of the Company whose names appear on the Company’s Register of Members / statement of beneficial owners furnished by National Securities Depository Limited and Central depository Services (India) Limited as at close of business hours of 18th September, 2020.”

Item no. 3

To appoint a director in place of Shri Nikhil Kumar Jain, Director (Personnel) (DIN 05332456), who retires by rotation and, being eligible, offers himself for re-appointment.

“RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Article 34 of the Articles of Association of the Company, Shri Nikhil Kumar Jain, Director (Personnel) (DIN 05332456), who retires by rotation, be and is hereby re-appointed as a Director of the Company for the remaining/extended term at the pleasure of the President of India”

Item no. 4

To appoint a director in place of Shri Mahesh Kumar Mittal, Director (Finance) (DIN 02889021), who retires by rotation and, being eligible, offers himself for re-appointment.

“RESOLVED THAT pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Article 34 of the Articles of Association of the Company, Shri Mahesh Kumar Mittal, Director (Finance) (DIN 02889021), who retires by rotation, be and is hereby re-appointed as a Director of the Company for the remaining/extended term at the pleasure of the President of India”

Item no. 5

To authorize Board of Directors of the Company to fix the remuneration of the Joint Statutory Auditors for the financial year 2020-21

“RESOLVED THAT pursuant to the provisions of Section 142 read with relevant provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the Board of Directors be and is hereby authorized to fix the remuneration of Joint Statutory Auditors for the financial year 2020-21;

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

SPECIAL BUSINESS:

Item no. 6

To appoint Shri Abhay Kumar Singh (DIN 08646003), as Chairman and Managing Director of the Company

“RESOLVED THAT pursuant to applicable provisions of the Companies Act, 2013, rules made thereunder read with Articles of Association of the Company, Shri Abhay Kumar Singh (DIN 08646003), who was appointed as Chairman and Managing Director of the Company by the President of India and subsequently appointed as an additional director by the Board of Directors with effect from February 24, 2020 to hold office until the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from him signifying his intention to propose himself as a candidate for the office of a director of the Company, be and is hereby appointed as Chairman and Managing Director of the Company, not liable to retire by rotation, on the terms & conditions as determined by the Government of India.”

Item no. 7

To appoint Shri Yamuna Kumar Chaubey (DIN 08492346), as Director (Technical) of the Company

“RESOLVED THAT pursuant to applicable provisions of the Companies Act, 2013, rules made thereunder read with Articles of Association of the Company, Shri Yamuna Kumar Chaubey (DIN 08492346), who was appointed as Director (Technical) of the Company by the President of India and subsequently appointed as an additional director by the Board of Directors with effect from April 01, 2020 to hold office until the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from him signifying his intention to propose himself as a candidate for the office of a director of the Company, be and is hereby appointed as Director (Technical) of the Company, liable to retire by rotation, on the terms & conditions as determined by the Government of India.”

17. The Chairman and Managing Director then invited the speaker shareholders to make comments, observations and seek clarifications, if any. The following Members who had registered themselves as speakers raised queries on various Items of the Reports and Financial Statements for the year:

- i. Shri Kaushik Shahukar
- ii. Shri Adil Polad Irani
- iii. Shri Satyajit Pandit
- iv. Shri Damodar Prasad Gupta
- v. Shri Umesh Chand Goyal
- vi. Ms. Bharati Saraf / Shri Santosh Kumar Saraf

- vii. Shri R P Tulsian
- viii. Shri Sanjay Shetty / Shri Shivarama Shetty

18. The following were some of the comments from the Members:

- Appreciated the financial results achieved by the Company during financial year 2019-20 and also during 1st quarter of financial year 2020-21, amidst COVID-19;
- Appreciated the contribution made by the Company for Covid-19;
- Appreciated the amount of dividend payout;
- Appreciated the credit ratings of the Company.

19. The feedback/suggestion from members were also heard at the meeting. Several suggestions made by members were related to:

- Early commissioning of under construction projects;
- Take up large capacity solar and wind power projects particularly near the coastal belt;
- Building public and brand image of the Company;
- Increasing the number of female and specially abled employees.

20. Some of the queries from members were on the following:

- Reasons of Rs. 185 crore reflected in financial statements under exceptional items and item pertains to?
- Likely benefits of acquisition of Lanco Teesta Hydro Power Limited?
- Reasons for trading of shares of the company at lower price in spite of good financial performance?
- Reasons for delay in under construction projects of the Company?
- Manpower planning and per MW productivity of employees as compared to industry standards
- Steps taken by Company for women empowerment and development of women employees of the Company?

21. The Chairman and Managing Director thanked the Members for the kind words and appreciation and stated that their suggestions and feedback would be evaluated. The Chairman and Managing Director informed the members that the Company aspires to become a leading generator of green and renewable energy. The works at Subansiri Lower HE Project were delayed due to agitation by locals and subsequent stay by NGT. Further, the works at Parbati-II HE Project suffered due to geological surprises. However, the situation had improved and works at both the projects of the Company was being undertaken at increased pace. The Company has actively considered the opportunities for development of solar and wind power projects

and many such projects were under pipeline, and were expected to materialize soon.

22. The Chairman and Managing Director then requested the functional Directors to respond to the queries raised by Members. Shri Mahesh Kumar Mittal, Director (Finance) informed that:

- The amount of Rs. 185 crore shown under exceptional items pertains to one-time rebate provided to DISCOMs under the special economic and comprehensive package of Govt. of India. The benefit of the rebate shall flow to the ultimate consumers of electricity.
- The Lanco Teesta Hydro Power Limited is a very good project and is expected to contribute Rs.300 crore approximately p.a. to the PAT of the Company on commissioning.
- The share prices of the Company are driven by the market forces and Company has no control over it. However, considering the financial performance of the company over the period of last few years and future targets of the Company, the return on equity is expected to increase in the long run.
- The projects of the company are located in remote areas and in tough terrain with varied geological conditions, therefore are subject to long gestation period as compared to thermal, solar and wind projects.

23. Shri Nikhil Kumar Jain, Director (Personnel) informed that:

- The Company has adequate representation of female employees and specially abled employees in the executive category.
- The Company reserves seats for specially abled employees in its recruitment and had also carried out special recruitment drive for specially abled employees in past.
- Since the projects of the Company were located in remote locations, therefore, the number of female candidates applying for vacancies in the Company is on lower side. However, it is likely to be improved over the period of time.
- The Number of employees in the Company has reduced over the period of time. The Manpower requirement of the Company has been finalized considering the requirements of its present and future projects. Further, the per MW manpower cost and profit generation are in improving trend over the years and the Company is making constant endeavours to match the industry standards.

- NHPC is among one of the most women friendly organization. The Company has conducted various training programmes specially for women employees.

24. Shri Ratish Kumar, Director (Projects) informed the members that construction activities at Subansiri Lower HE Project have been resumed in October, 2019 subsequent to clearance from NGT and are progressing at adequate pace. Further, the works for excavation of Head Race Tunnel (HRT) at Parbati-II HE Project have been awarded and is expected to complete soon.

25. Thereafter, the Chairman and Managing Director thanked the members for their participation and valuable suggestions on the working of the Company and formally closed the proceedings of the 44th Annual General Meeting. He informed that queries received through chatbox from the members will be responded separately through e-mail.

26. On the basis of Consolidated Report of the Scrutinizer for remote e-voting from 26.09.2020 to 28.09.2020 and e-voting during the AGM dated 29.09.2020, CMD announced the results of the voting on 30.09.2020 as under:

Brief Particulars of the Consolidated Report of the Scrutinizer for the remote e-voting and e-voting at AGM dated 29th September, 2020:

Particulars	Remote E-voting		E-voting at AGM		Total	
	Number of votes	%age	Number of votes	%age	Number of votes	%age
Ordinary Resolution:						

Item No.1: To consider and adopt: a. the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2020, along with the Board's Report, the Report of Auditors' thereon and Comments of the Comptroller & Auditor General of India; and b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2020, the Report of Auditors' thereon and Comments of the Comptroller & Auditor	Votes in assent	8959595053	99.9705	175391526	100	9134986579	99.9711
	Votes in dissent	2640984	0.0295	0	0	2640984	0.0289
	Invalid votes	0	0	0	0	0	0

General of India. (Ordinary Resolution)							
Item No. 2: To confirm the payment of interim dividend and declare final dividend for the financial year 2019-20. (Ordinary Resolution)	Votes in assent	89622212 26	99.9999	1753915 26	100	9137612 752	99.99 99
	Votes in dissent	12240	0.0001	0	0	12240	0.000 1
	Invalid votes	0	0	0	0	0	0
Item No. 3: To appoint a director in place of Shri Nikhil Kumar Jain, Director (Personnel) (DIN 05332456), who retires by rotation and, being eligible, offers himself for re-appointment. (Ordinary Resolution)	Votes in assent	86523725 90	96.5426	1753845 26	99.99 60	8827757 116	96.60 89
	Votes in dissent	30985878 1	3.4574	7000	0.004 0	3098657 81	3.391 1
	Invalid votes	0	0	0	0	0	0
Item No. 4: To appoint a director in place of Shri Mahesh Kumar	Votes in assent	87014090 35	97.0898	1753767 89	99.99 16	8876785 824	97.14 55

Mittal, Director (Finance) (DIN 02889021), who retires by rotation and, being eligible, offers himself for re- appointmen t. (Ordinary Resolution)	Votes in dissent	26082204 2	2.9102	14737	0.008 4	2608367 79	2.854 5
	Invalid votes	0	0	0	0	0	0
Item No. 5: To authorize Board of Directors of the Company to fix the remuneratio n of the Joint Statutory Auditors for the financial year 2020- 21 (Ordinary Resolution)	Votes in assent	88401905 03	98.6383	1753915 26	100	9015582 029	98.66 44
	Votes in dissent	12203848 8	1.3617	0	0	1220384 88	1.335 6
	Invalid votes	0	0	0	0	0	0
Item No. 6: To appoint Shri Abhay Kumar Singh (DIN 08646003), as Chairman and Managing Director of the Company (Ordinary	Votes in assent	89007327 35	99.3138	1753915 26	100	9076124 261	99.32 70
	Votes in dissent	61495455	0.6862	0	0	6149545 5	0.673 0
	Invalid votes	0	0	0	0	0	0

Resolution)							
Item No. 7: To appoint Shri Yamuna Kumar Chaubey (DIN 08492346), as Director (Technical) of the Company (Ordinary Resolution)	Votes in assent	87014426 08	97.0902	1753915 26	100	8876834 134	97.14 60
	Votes in dissent	26078557 3	2.9098	0	0	2607855 73	2.854 0
	Invalid votes	0	0	0	0	0	0

All the above resolutions, which were put to vote through remote e-voting and voting during the meeting, were duly passed with requisite majority.

Sd/-
(Abhay Kumar Singh)
Chairman and Managing Director

Date: 20.10.2020
Place: Faridabad

CHAIRMAN'S STATEMENT

44TH Annual General Meeting

We are amidst an unprecedented crisis with the highly contagious COVID-19 virus adversely impacting major economies across the world in rapid succession. The pandemic has affected our civilisation on all fronts and has revolutionised our life by redefining the customs for working, socialising and many more. We are witnessing enhanced use of Information Technology in our daily lives. NHPC is increasingly adapting technology in its day to day working and this AGM being conducted through virtual platform is a testimony of how your company is equipped to face challenges in these difficult circumstances. The pandemic situation continues to remain grim and uncertain. My thoughts are with those who have contracted the virus and I pray for their speedy recovery.

It is a matter of pride for each one of us that our Company has performed efficiently during these difficult times and provided uninterrupted power supply by ensuring continued operations 24X7.

Operating and Financial Performance:

During the year 2019-20, NHPC achieved new milestones in operating as well as financial performance and witnessed various developments which inter-alia includes:

- Achievement of highest ever annual generation of 26,121 Million Units (MUs) surpassing the previous highest generation of 24,193 MUs during financial year 2018-19.
- Earning total revenue of Rs.9,771.59 crore, revenue from operations (net) of Rs. 8,735.41 crore and Net Profit After Tax (PAT) of Rs. 3,007.17 crore.
- Contribution of Rs. 2,320.56 crore to Government of India's exchequer through dividend, dividend distribution tax and income tax.
- Successful acquisition of Lanco Teesta Hydro Power Limited (LTHPL)

as a wholly owned subsidiary company for the implementation of Teesta VI HE Project (500 MW) in Sikkim through Corporate Insolvency Resolution Process (CIRP).

- Receipt of stage-II forest clearance for Dibang Multipurpose Project (2800 MW)
- Achievement of VI position among Traders for Short Term transactions in power trading business.
- Declaration as successful resolution applicant by the Committee of Creditors of Jal Power Corporation Limited, a company implementing Rangit Stage-IV HE Project (120 MW) in Sikkim.
- Exchange of 'Letter of Intent' with NEA Engineering Company Limited, Nepal for mutual co-operation in the field of Design & Engineering of hydropower projects. This exchange would start a new journey of co-operation between India and Nepal for Hydropower Development in Nepal.
- Signing of Memorandum of Agreement (MoA) for R&D collaboration with IIT Kanpur and IIT(ISM) Dhanbad.
- Signing of Memorandum of Understandings (MoU) with Government of Himachal Pradesh for the execution of Dugar HE Project (449 MW) in Himachal Pradesh.

To nudge the economy early on the path of economic recovery and growth, your company is committed to escalate its pace. During the current year, your company has restored and successfully synchronized the 3rd unit of Kishanganga Power station with the Grid and also inked MoU with:

- Green Energy Development Corporation of Odisha Limited (GEDCOL) on July 20, 2020 to form a Joint Venture Company (JVC) to plan & develop techno-commercially feasible floating solar power projects of 500 MW in the state of Odisha.
- Hydroelectricity Investment and Development Company Limited (HIDCL), a company owned by Govt. of Nepal in June, 2020 for joint cooperation to develop hydropower projects in Nepal.

As electricity is an essential requirement, therefore operations of your

company are not impacted significantly due to COVID-19. The net profit of your company during first quarter of FY 2020-21 has reduced by 17.93% to Rs.723 crore as compared to corresponding period of previous year mainly due to one-time rebate of Rs.185 crore provided by the Company to DISCOMs under the special economic and comprehensive package of Govt. of India.

We are very optimistic that the performance of the Company shall pick-up in the times to come. Moving ahead with this thought, during the current financial year your company aspires to:

- Achieve generation of 27,500 MUs. In the pursuit of this ambitious target, I am pleased to share that your company has already surpassed the previous year's cumulative generation of 17316.4 MUs upto 25.09.2019 by achieving a cumulative generation of 17329.9 MUs as on 25.09.2020.
- Achieve CAPEX target of Rs. 5,401 crore, including investment in JVs and Subsidiaries.
- Speed up construction activities at Subansiri Lower HE Project (2000 MW) and Parbati-II HE Project (800 MW).
- To enhance and strengthen position in power trading business.
- Complete the process for acquisition of Jal Power Corporation Limited and initiate execution of balance works of Rangit Stage-IV HE Project (120 MW).

I am glad to share that concreting works at the Power House of Subansiri Lower Project started on 23.9.2020, which was under abeyance since December 2011. This development is pivotal in completion of the project, after resumption of work pursuant to NGT Clearance. We are hopeful that our endeavours will materialise and empower us to continue to create value for our stakeholders.

Industry Outlook and Business Environment

Our country, backed by its robust democracy and strong partnerships is on its way to be one of the top three economic powers in the world over the next 10-15 years. Power, being one of the most critical component of

infrastructure, is crucial for the economic growth and welfare of the country. Indian power sector is undergoing a significant change that has redefined the industry outlook and has become more lucrative and promising.

Country's total installed capacity for electricity generation is more than 372.69 GW, out of which the share of hydro and other renewable sources of power is 45.70 GW and 88.79 GW respectively. Electricity production in the country reached 1,252.61 billion units (BUs) in the financial year 2019-20. With such capacities, India is the third largest producer and second largest consumer of electricity in the world.

This is also reflected in the fact that our country's rank on World Bank's Ease of doing business - "Getting Electricity" ranking has improved to 24 in 2019 from 137 in 2014. Further, the energy deficit of the country has reduced to 0.7% during the financial year 2019-20 from 4.2% in financial year 2013-14.

We are poised to overcome the challenges posed by the pandemic and achieve the set targets of growth. In this endeavour, massive addition to the installed generating capacity is desired to meet the demand for electricity. Government of India and regulatory authorities are taking various initiatives to achieve inclusive growth in Power Sector such as liquidity infusion of Rs.90,000 crore into cash-strapped DISCOMs, allocation of Rs. 15,875 crore to Ministry of Power under Union Budget 2020-21, plan to establish renewable energy capacity of 500 GW by 2030, Launch of Ujwal Discom Assurance Yojna (UDAY) to encourage operational and financial turnaround of State-owned Power Distribution Companies (DISCOMS) etc. These initiatives will improve the overall health of the sector and enable its going forward.

Preparing for future

I believe that hydropower is the need of the hour and has great role to play in providing stability to the grid, as proved during the Hon'ble Prime Minister's "9PM9MIN" initiative on 05.04.2020. Your company is constantly striving to increase its generating capacities from hydroelectric as well as other renewable sources of energy. Two hydroelectric projects of your Company having 2,800 MW installed capacity are under different stages of

construction. Various other hydroelectric projects of NHPC having 5,945 MW installed capacity are under clearance or approval stage.

Further, to augment growth in solar and wind power, your Company is actively considering available options. In furtherance of the same, Company has envisaged floating solar projects of 500 MW each in Odisha and Telangana and 50 MW in Kerala under Ultra Mega Renewable Energy Power Parks (UMREPPs) Scheme of Ministry of New and Renewable Energy (MNRE), Government of India. Company has received in-principle approval from MNRE for enhancement of Solar Park capacity (from 100 MW to 140 MW) in Odisha, which envisages development of two projects of 40 MW and 100 MW in Ganjam and Deogarh District respectively. Possibilities are also being explored for development of other utility scale solar projects in different States/UTs such as Telangana (293 MW), Tamil Nadu (2X25 MW) and Leh (50 MW). Your Company has issued Letter of Award (LOA) to solar power developers for Inter State Transmission System (ISTS) grid connected photovoltaic projects aggregating to 2,000 MW. Your Company will act as facilitator for sale and purchase of generated power between the developers and DISCOMS/Government utilities respectively.

NHPC is also undertaking various other projects with installed capacity of 2,258 MW through subsidiaries and joint ventures. These projects are under different stages of clearance/ approval.

I am very optimistic that these projects will be implemented successfully in the times to come and by the end of the current decade, we shall have installed capacity of 20000 MW including JVs and subsidiaries.

Utilising Strengths & Capabilities

Your company has garnered and developed a wide array of unique strengths and capabilities, particularly in development of hydro power in all its aspects. NHPC cherish its strengths and track record in developing hydroelectric projects, in-house design and engineering capabilities, extensive experience in construction & operation and strong operating & financial performance.

Owing to such strengths and capabilities, your Company has been able to perform and deliver during the tough times of COVID-19. Your Company has positioned itself in a competitive advantageous position, thereby enjoying superior capacity to accelerate, grow, expand and boost productivity, executional and operational effectiveness & efficiency.

The combination of your Company's strengths and emerging opportunities in the growing Indian economy shall empower your company to excel and outperform.

Nation and Society at large

Your Company believes in contributing to sustainable development and inclusive growth while taking care of people, planet and organisational goal/growth. Creation of value for the nation, stakeholders and society at large with minimal environmental impact has always been a focal point in all operations of your Company. Our commitment towards environment and people is affirmed through our corporate vision & mission, policies and practices adopted.

It has been our endeavour that communities residing in the vicinity of our projects/ power stations and unprivileged sections of the society are empowered economically as well as socially. In furtherance to it, your Company has implemented various policies such as policy for reservation of works to be awarded on local competitive bidding basis to PAFs & locals residing near the projects, CSR & Sustainability policy, corporate environment policy, etc.

CSR initiatives of your company are directed to benefit the maximum number of persons. CSR Initiatives of the Company include activities in the field of skill development, health & sanitation, drinking water supply, women empowerment, capacity building, social infrastructure building etc. During the year, Company has contributed Rs. 40 Crore towards PM CARES Fund from its CSR Budget.

I am sure that you will recognise and cherish NHPC's role in improvement of the lives of people near the project areas and offering them better opportunities.

Being confident of continuous improvement in financial performance and to create value for its shareholders, the management of your company has recommended a dividend of Rs. 1.50/- per equity share for the year 2019-20. The dividend is inclusive of interim dividend of Rs. 1.18/- per equity share paid in March, 2020.

Responsible Citizenship

Managing business in an ethical, transparent, fair and responsible manner is inherited by your Company. NHPC has taken proactive steps to establish appropriate governance systems and processes in its business model. We envisage a vision “to be global leading organization for sustainable development of clean power through competent, responsible and innovative values”. The Company has been broadly complying with the requirements of Corporate Governance as stipulated in the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and DPE guidelines on Corporate Governance.

A report on Corporate Governance also form part of Directors' report of the Company.

Awards and accolades

The efforts and practices of your company have received recognition at various forums. To name a few, NHPC has been conferred with “Outstanding Performing Utility in Hydropower Sector” at CBIP Awards, 2020 and “Recognition of WIPS activities Award” under Miniratna & other category by forum of Women in Public Sector (WIPS). The efforts made by NHPC for the progressive use of Hindi were appreciated at various forums. Your company has been successful in achieving three awards in various categories under the “Rajbhasha Kirti Puraskar” declared by Ministry of Home Affairs for outstanding work in implementation of official language for the year 2019-20.

Human Resource

Your Company believes that its employees are its core strength. As

envisaged in Corporate mission statement, human resource of your Company is being developed, nurtured and empower by imparting adequate and timely training, ample opportunities for individual growth, ensuring wellbeing through implementation of various policies. I would like to commend the contribution of employees which has been the cornerstone of the Company's growth over the years.

I am a strong believer in NHPC's strength and growth potential. The coming times are crucial and I believe that with the support of all stakeholders and beneficiaries, we shall achieve new heights.

As I conclude, I on behalf of the Board, thank you, our valued shareholders, for your faith and unstinted support. On behalf of the Board, I would also like to express my gratitude to Government of India, Ministry of Power, State governments, Authorities & Agencies of the Union government and State government, office of C&AG, Auditors, bankers and all other stakeholders. I thank all my colleagues for their oversight, support and immense encouragement.

I also acknowledge and appreciate the collective efforts made by entire team of NHPC.

Jai Hind !

(Abhay Kumar Singh)
Chairman and Managing Director