

Himachal Pradesh Power Corporation Limited
Standalone Balance Sheet as at 31st March, 2023

(In Lacs)

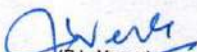
Particulars	Note No.	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
1	2	3	4	5
ASSETS				
(1) Non - Current Assets				
(a) Property, Plant and Equipment	2.1	5,31,704.79	5,56,612.44	5,30,884.96
(b) Capital Work-in-progress	2.2	3,24,137.53	2,20,900.74	1,93,275.61
(c) Investment Property	2.3	25.65	27.06	28.47
(d) Goodwill				
(e) Other Intangible Assets	2.4	42.59	16.16	20.65
(f) Financial Assets:				
(i) Investments	2.5	-	-	-
(ii) Trade receivables				
(iii) Loans	2.6	150.81	88.97	147.50
(g) Deferred tax assets (net)				
(h) Other Non-current Assets	2.7	74,375.18	1,12,582.48	55,463.80
(2) Current Assets				
(a) Inventories	2.8	951.29	874.37	842.66
(b) Financial Assets:				
(i) Investments				
(ii) Trade Receivables	2.9	1,061.13	508.57	486.12
(iii) Cash and cash equivalents	2.10	13,210.37	1,608.53	1,156.63
(iv) Bank Balance other than above	2.11	3,116.68	3,320.18	2,283.85
(v) Loans	2.12	1.19	62.65	7.26
(vi) Others	2.13	6,525.23	6,542.48	19,113.26
(c) Other Current Assets	2.14	45,231.96	26,605.94	16,207.07
Total Assets		10,00,534.39	9,29,750.58	8,19,917.85
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital	2.15	2,30,247.79	2,25,102.79	2,18,771.33
(b) Other Equity	2.16	(75,704.85)	(68,171.12)	(57,333.57)
Liabilities				
(1) Non-current Liabilities				
(a) Financial Liabilities:				
(i) Borrowings	2.17	63,190.13	64,379.46	1,17,109.25
(ii) Lease Liabilities	2.18	65.46	682.92	49.09
(iii) Other Financial Liabilities	2.19	4,145.63	4,383.51	12,587.68
(b) Provisions	2.20	7,316.99	6,695.12	5,600.11
(c) Deferred tax liabilities (Net)	2.21	-	-	-
(d) Other Non-Current Liabilities	2.22	2,48,547.73	1,71,781.10	1,24,151.80
(2) Current Liabilities				
(a) Financial Liabilities:				
(i) Borrowings	2.23	2,10,044.48	2,08,076.89	1,52,272.84
(ii) Lease Liabilities	2.24	678.69	167.16	110.60
(iii) Trade Payables	2.25	-	-	-
(iv) Other Financial Liabilities	2.26	3,12,002.04	3,16,652.76	2,46,503.74
(b) Other Current Liabilities				
(c) Provisions	2.27	0.30	-	94.96
(d) Current Tax Liabilities (Net)				
Inter unit transfer		(0.00)	-	-
Zero Balance Clr				
Total Equity and Liabilities		10,00,534.39	9,29,750.58	8,19,917.85


Significant Accounting Policies

The accompanying notes form an integral part of these financial statements

Note: The figures for the year ended 31st March 2022 and 1st April 2021 as given above are restated

For and on behalf of the Board of Directors


(B.L. Verma)
AGM (Finance)


(Sudershan K Sharma)
Consultant(Company Secretary)


(Shivam Pratap Singh)
Director (Finance)
DIN No. 10243812


(Harikesh Meena)
Managing Director
DIN No. 09333558

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

(CA Suresh Chand Soni)
Partner
M. No. 083106
Place: Shimla
Date:

Himachal Pradesh Power Corporation Limited
Standalone Statement of Profit and Loss for the period ended 31st March, 2023

		(In Lacs)	
Particulars		For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
I	Revenue from Operations	2.28	38,488.59
II	Other Income	2.29	40,055.85
III	Total Income (I+II)	206.43	114.34
IV	Expenses		
	Cost of materials consumed		
	Purchases of Stock-in-Trade		
	Changes in inventories of finished goods, Stock-in -Trade and work-in-progress		
	Employee Benefits Expense	2.30	2,704.19
	Finance Costs	2.31	20,313.27
	Depreciation and Amortization Expense	2.32	20,722.13
	Other Expenses	2.33	4,285.70
	Total Expenses (IV)	48,025.30	51,132.92
V	Profit/(loss) before exceptional items and tax (III-IV)	(9,330.28)	(10,962.73)
VI	Exceptional Items		
VII	Profit/ (loss) before exceptions items and tax(V-VI)	(9,330.28)	(10,962.73)
VIII	Tax expense:		
	(1) Current tax	-	-
	(2) Deferred tax	-	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)	(9,330.28)	(10,962.73)
X	Profit/(loss) from Discontinued operations	-	-
XI	Tax expenses of discontinued operations	-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)	-	-
XIII	Profit/(loss) for the period (IX+XII)	(9,330.28)	(10,962.73)
XIV	Other comprehensive income		
	A. (i) Items that will not be reclassified to profit or loss	2.34	206.55
	(ii) Income tax relating to items that will not be reclassified to profit or loss		
	B. (i) Items that will be reclassified to profit or loss		
	(ii) Income tax relating to items that will be reclassified to profit or loss		
	Total Comprehensive Income for the period (XIII+XIV)	(9,124)	(11,134)
XV	(Comprising Profit (Loss) and Other comprehensive Income for the period)		
XVI	Earnings per equity share (for continuing operation):		
	(1) Basic	2.35	(40.07)
	(2) Diluted		(49.46)
XVII	Earnings per equity share (for discontinued operation):		
	(1) Basic		
	(2) Diluted		
XVIII	Earnings per equity share (for discontinued & continuing operation):		
	(1) Basic	2.35	(40.07)
	(2) Diluted		(49.46)

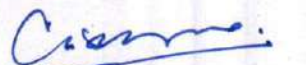
Significant Accounting Policies


1

The accompanying notes form an integral part of these financial statements

For and on behalf of the Board of Directors


 (B.L. Verma)
 AGM (Finance)


 (Sudershan K Sharma)
 Consultant(Company Secretary)


 (Shivam Pratap Singh)
 Director (Finance)
 DIN No. 10243812


 (Harikesh Meena)
 Managing Director
 DIN No. 09333558

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

(CA Suresh Chand Soni)
 Partner
 M. No. 083106
 Place: Shimla
 Date:

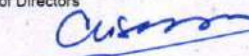
Himachal Pradesh Power Corporation Limited
Standalone Statement Of Cash Flows for the year Ended 31st March, 2023


(In Lacs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Cash flow from operating activities		
Profit before tax (A)	-9,124	-11,134
change in other equity as per restated balancesheet (B)		
Adjustment for:		
Depreciation and amortization	20,722	20,589
Finance Cost		-
Loss on disposal/write off of fixed assets	0	60
Profit on sale of fixed assets	-	-
Total Adjustment (C)	20,722	20,648
Adjustment for assets and liabilities		
Inventories	-77	-32
Trade receivable and unbilled revenue	-553	-22
Loans, other financial assets and other assets	-18,344	-11,954
Other financial liabilities and other liabilities	-2,471	70,683
Other Current liabilities	-	-
Provisions	622	1,000
Total Adjustment (D)	-20,822	59,675
Cash used in operating activities (E)=(A+B+C+D)	-9,223	69,189
Less: Income tax paid	-	-
Net cash used in operating activities (F)	-9,223	69,189
Cash flow from investing activities:		
Net expenditure on Property, Plant & Equipment and CWIP	-99,077	-73,963
Term Deposits with Banks (having maturity more than 3 months)		-
Interest on term deposits/ Sweep Deposits	-62	59
Investment in Subsidiary/Associate/Joint Venture		-
Other non current asset	38,207	-44,085
loss of Fixed/ CWIP assets from torrential rain & flood		-
Net cash used in investing activities (G)	-60,931	-1,17,989
Cash flow from financing activities:		
Share Capital	5,145	825
Share money pending allotment	1,590	275
Proceeds from borrowings		-
Repayment of borrowings	-1,639	-168
Other Non Current Liabilities	76,767	47,629
Payment of lease liabilities	-106	690
Interest and finance charges		-
Net Cash generated from financing activities (H)	81,756	49,252
Net increase in cash and cash equivalents (I)=(F+G+H)	11,502	452
Cash & Cash Equivalents at the beginning of the year	1,609	1,157
Cash & Cash Equivalents at the end of the year	13,210	1,609
Restricted cash balance	0	(0)
Earmarked Balance (Unpaid Dividend)	-	-
Margin Money for BG/ Letter of Credit and Pledged deposits	3,117	3,320
Total	3,117	3,320

This is the Statement of Cash Flows referred to in our report of even date.
For and on behalf of the Board of Directors


(B.L. Verma)
AGM (Finance)


(Sudershan K Sharma)
Consultant(Company Secretary)


(Shivam Pratap Singh)
Director (Finance)
DIN No. 10243812


(Harikesh Meena)
Managing Director
DIN No. 09333558

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

(CA Suresh Chand Soni)
Partner
M. No. 083106
Place: Shimla
Date:

Himachal Pradesh Power Corporation Limited

2. Notes To Accounts

Non Current Assets

The amounts in financial statements are presented in Indian Rupees . The Previous year figures have also been reclassified /regrouped/ rearranged whenever necessary to confirm to this year's classification.

(In Lacs)				
	Particulars	Sub Note	As at March 31,2023	As at March 31,2022
2.1	Property, Plant and Equipment	2.1.1	5,31,704.79	5,56,612.44
2.2	Capital Work-in-progress	2.2.1	3.24	2.21
2.3	Investment Property	2.3.1	25.65	27.06
2.4	Other Intangible Assets	2.4.1	42.59	16.16
			5,31,776.27	5,56,657.87

(In Lacs)				
2.5	Investments		As at March 31,2023	As at March 31,2022
	Investment in Equity instrutments			
	Non Trade-Unquoted (at cost)			
	(a) Subsidiary Companies			
	(b) Joint Venture Companies			
	3375000 (P.Y: 3375000) Equity Shares of Rs. 10/- in Himachal Emta Power Ltd		337.50	337.50
Less:	Provision for Doubtful Investment		(337.50)	(337.50)
	Total Investment in Equity Instruments		-	-
	Other Investment			
	Total Other Investment		-	-
	Total Investments		-	-

(In Lacs)				
2.6	Loans		As at March 31,2023	As at March 31,2022
	Security Deposits			
	Secured Considered Good		-	-
	Unsecured considered good		150.81	88.97
	- Doubtful			
	Total (A)		150.81	88.97
	Loans to other Employees			
	- Secured considered good		-	-
	Unsecured Considered Good		-	-
	- Doubtful		-	-
	Total (B)		-	-
	Total (C) =(A+B)		150.81	88.97

Himachal Pradesh Power Corporation Limited

Sub Note No 2.1.1

Schedule of Property Plant and Equipment

(In Lacs)										
A) Own Assets:										
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2022	Addition during the year	Deductions / Adjustments	As at 31.03.2023	As at 01.04.2022	Addition during the year	Deductions / Adjustments	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
LAND - LEASEHOLD	7.93	46.48	5.15	49.26	(2.64)	-	-	-2.64	51.90	10.57
LAND - FREEHOLD	1,99,488.66	1,12,698.57	1,18,190.57	1,93,996.67	-	-	-	-	1,93,996.67	1,99,488.66
RESIDENTIAL BUILDINGS	2,634.84	-	-	2,634.84	695.63	91.29	-	786.91	1,847.92	1,939.21
NON RESIDENTIAL BUILDINGS	1,735.61	112.06	112.06	1,735.61	416.33	68.80	15.99	469.14	1,266.47	1,319.28
TEMPORARY SHEDS/ERECTIONS	9.87	-	-	9.87	9.85	-	-	9.85	0.01	0.01
PROJECT CIVIL WORKS	3,00,216.74	106.50	-	3,00,323.24	44,997.88	14,272.59	0.71	59,269.75	2,41,053.49	2,55,218.88
ROADS, BRIDGES & TRAFFIC TUNNELS	-	-	-	-	0.00	-	-	0.00	-0.00	-0.00
PROJECT ELECTRO MECHANICAL WORKS	1,08,422.99	35.60	-	1,08,458.60	17,505.77	5,171.19	-	22,676.96	85,781.64	90,917.22
PLANT (CURRENTLY FOR WATER TREATMENT)	66.68	0.96	-	67.63	6.07	3.22	-	9.28	58.35	60.61
OFFICE MACHINERY (LIKE LAB, FIRE, SAFETY)	145.92	48.34	0.88	193.38	61.89	8.93	0.42	70.40	122.98	84.02
ELECTRONICS & ELECTRICAL ITEMS	462.11	20.62	2.77	479.95	184.24	26.05	1.18	209.11	270.84	277.86
FURNITURES & FIXTURES	416.58	39.29	11.42	444.45	192.53	32.00	6.00	218.53	225.93	224.06
COMPUTERS & DATA PROCESSING MACHINES	270.20	74.98	6.36	338.82	92.70	29.34	1.12	120.92	217.90	177.50
VEHICLES	138.06	7.16	19.68	125.54	57.75	16.14	17.71	56.18	69.37	80.32
KITCHEN ITEMS	3.09	-	-	3.09	2.37	0.05	-	2.42	0.68	0.73
FIRE FIGHT EQUIPMNT	0.42	-	-	0.42	0.13	0.07	-	0.21	0.21	0.29
SMALL OFFICE ITEMS	0.73	-	-	0.73	0.27	0.41	-	0.68	0.05	0.46
HELIPAD	23.49	-	-	23.49	7.24	-	-	7.94	15.55	16.25
BRIDGES & CULVERTS	579.85	-	-	579.85	162.49	18.54	-	181.03	398.82	417.36
SERVER AND NETWORKS	899.20	-	-	899.20	749.77	-	-	749.77	149.43	149.43
ROADS	4,957.15	58.03	-	5,015.18	1,386.04	162.54	-	1,548.57	3,466.61	3,571.11
ASSETS NOT OWNED BY COMPANY Roads	-	-	-	-	-	-	-	-	-	-
ASSETS NOT OWNED BY COMPANY OTHERS	-	312.15	-	312.15	-	0.86	-	0.86	311.30	-
INFRASTRUCTURE DEVELOPMENT CONSTRUCTION POWER	2,619.52	-	-	2,619.52	812.61	124.43	-	937.05	1,682.47	1,806.90
Grand Total	6,23,099.65	1,13,560.75	1,18,348.88	6,18,311.51	67,338.93	20,027.14	43.15	87,322.93	5,30,988.59	5,55,760.71
B) Right of Use:										
Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2022	Addition during the year	Deductions / Adjustments	As at 31.03.2023	As at 01.04.2022	Addition during the year	Deductions / Adjustments	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
Building	1,026.47	91.33	-	1,117.80	205.71	226.50	-	432.22	685.58	820.76
Land	31.31	-	-	31.31	0.35	0.35	-	0.70	30.82	30.97
Total (B)	1,057.79	91.33	-	1,149.12	206.06	226.85	-	432.91	716.20	851.73
Grand Total (A+B)	6,24,157.43	1,13,652.08	1,18,348.88	6,19,460.63	67,544.99	20,253.99	43.15	87,755.84	5,31,704.79	5,56,612.44

Himachal Pradesh Power Corporation Limited

Note No 2.2.1

Capital work in progress

(In Lacs)

Particulars	Note	Amount As at 31.03.2022	Addition during FY 2022-23	Deletion during FY 2022-23	Net Adj. During FY 2022-23	Amount as at 31.03.2023
Residential Buildings	2.2.1.1	-	-	-	-	-
Non Residential Buildings	2.2.1.1	184.35	-	-	-	184.35
Roads, Bridges & Culverts	2.2.1.1	674.75	259.35	78.03	181.31	856.06
Civil Works	2.2.1.1	75,260.78	24,320.52	106.92	24,213.60	99,474.37
Electro-Mechanical Works	2.2.1.1	33,948.22	2,212.08	-	2,212.08	36,160.30
Construction Power	2.2.1.1	1.53	72.44	-	72.44	73.97
Environment & R&R Expenses	2.2.1.1	-	10.49	-	10.49	10.49
Plant & Machinery	2.2.1.1	7.54	-	-	-	7.54
Land Submerged Area	2.2.1.1	-	2.19	2.19	-	-
Investigation & Survey	2.2.1.1	-	-	-	-	-
AUC Office Items	2.2.1.1	0.84	-	-	-	0.84
G.Total		1,10,078.00	26,877.07	187.14	26,689.93	1,36,767.93
Expenditure during construction	2.2.2	1,10,416.52	80,822.38	3,872.13	76,950.25	1,87,366.77
IND AS adjustment		406.21	-	-	-	2.82
Total Carried forward to Balance Sheet)		2,20,900.74	1,07,699.45	4,059.27	1,03,640.18	3,24,137.53

Note No 2.2.1.1

(In Lacs)

Particulars	Residential Buildings as at 31.03.2023	Non Residential Buildings as at 31.03.2023	Roads, Bridges & Culverts as at 31.03.2023	Civil Works as at 31.03.2023	Electro- Mechanical Works as at	Construction Power as at 31.03.2023	Plant & Machinery as at 31.03.2023	Land Submerged Area as at	Investigation & Survey as at 31.03.2023	Environment & R&R Expenses as at 31.03.2023	Office Item as at 31.03.2023	G.Total
Sundernagar	-	-	-	-	-	-	-	-	-	-	-	-
Sawra Kuddu HEP	-	-	-	158.51	-	-	-	-	-	-	-	158.51
Kashang HEP Stage-I	-	-	-	-	-	-	-	-	-	-	-	-
Sainj HEP	-	184.35	307.62	100.82	-	-	-	-	-	-	-	592.79
Renuka Dam Project	-	-	-	-	-	-	-	-	-	-	-	-
Shontong HEP	-	-	-	80,976.61	36,160.30	48.78	7.54	-	-	10.49	-	18.04
Triveni HEP	-	-	-	-	-	-	-	-	-	-	-	1,17,185.69
Thana Plaun HEP	-	-	-	-	-	-	-	-	-	-	-	-
Nakthan HEP	-	-	-	-	-	-	-	-	-	-	0.16	0.16
Gypsa HEP	-	-	-	-	-	-	-	-	-	-	0.68	0.68
Surgani Sundla HEP	-	-	-	-	-	-	-	-	-	-	-	-
Deothai Chanju	-	-	51.12	-	-	-	-	-	-	-	-	-
Chanju-III	-	-	121.21	-	-	-	-	-	-	-	-	51.12
Berra-Doi Solar Power Project	-	-	-	-	-	-	-	-	-	-	-	121.21
Kashang HEP Stage-II	-	-	376.11	18,238.44	-	25.19	-	-	-	-	-	-
G.Total	-	184.35	856.06	99,474.37	36,160.30	73.97	7.54	-	-	10.49	0.84	1,36,767.93

Note No 2.2.2

HIMACHAL PRADESH POWER CORPORATION LIMITED						
Expenditure During Construction	Note No.	Amount in Lacs				
		As at 31.03.2022	Addition during 22-23	Deletion during 22-23	Net Adj. During 22-23	As at 31.03.2023
EXPENSES (A):						
Employees' Benefits Expenses	2.2.2.1	61,704	6,301	-	6,301	68,005
Finance/Interest Cost	2.2.2.2	33,580	6,456	-	6,456	40,036
Depreciation Expenses	2.2.2.3	1,754	341	-	341	2,094
Office and Administrative Expenses	2.2.2.4	25,942	68,987	(3,872)	65,115	91,057
TOTAL (A)		1,22,979	82,085	(3,872)	78,213	2,01,192
Less: Miscellaneous Income	2.2.2.5	(12,563)	(1,263)	-	(1,263)	(13,826)
Less: Renukaji & Gyspa Project Depreciation adjusted against Capital Reserve		-	-	-	-	-
NET EXPENDITURE (B) (Carried forward to CWIP)		1,10,417	80,822	(3,872)	76,950	1,87,367

Note No 2.2.2.1

EMPLOYEE BENEFITS EXPENSES (Expenditure During Construction):

PARTICULARS	Amount in Lacs				
	As at 31.03.2023	Addition during 22-23	Deletion during 22-23	Net During 2022-23	As at 31.03.2022
Salaries, Wages, Allowances and Benefits	61,735.40	6,012.60	-	6,012.60	55,722.80
Contribution to Provident and Other Funds	1,036.09	35.12	-	35.12	1,000.98
Leave Salary and Pension Contribution	3,752.01	175.79	-	175.79	3,576.22
Travelling Exp.	425.67	15.20	-	15.20	410.48
Medical Exp.	587.43	35.16	-	35.16	552.27
Welfare Expenses	468.39	27.41	-	27.41	440.98
TOTAL	68,005.00	6,301.27	-	6,301.27	61,703.73

Note No 2.2.2.2

FINANCE/INTEREST COST (Expenditure During Construction):

PARTICULARS	Amount in Lacs				
	As at 31.03.2023	Addition during 22-23	Deletion during 22-23	Net During 2022-23	As at 31.03.2022
Interest on Term Loans	39,975.95	6,454.69	-	6,454.69	33,521.26
Bank Charges/LC Charges	40.53	1.00	-	1.00	39.53
Others-FBT/Service Tax Interest	19.04	-	-	-	19.04
TOTAL	40,035.52	6,455.69	-	6,455.69	33,579.83

Note No 2.2.2.3

DEPRECIATION EXPENSES:

PARTICULARS	Amount in Lacs				
	As at 31.03.2023	Addition during 22-23	Deletion during 22-23	Net During 2022-23	As at 31.03.2022
Depreciation for the year (Transferred to Profit & Loss Account)	-	-	-	-	-
Depreciation for the year (Transferred to Expenditure During Construction)	2,094.48	340.73	-	340.73	1,753.75
TOTAL	2,094.48	340.73	-	340.73	1,753.75
Depreciation written off from Capital Reserve	-	-	-	-	-

Note No.2.2.2.4

OFFICE AND ADMINISTRATIVE EXPENDITURE (Projects Incidental Expenditure):

Amount in Lacs

PARTICULARS	As at 31.03.2023	Addition during 22-23	Deletion during 22-23	Net During 2022-23	As at 31.03.2022
Repairs and Maintenance Vehicle	130.50	10.14	-	10.14	120.36
Repairs and Maintenance Office Furniture & Equipment's	95.62	10.21	-	10.21	85.41
Repairs and Maintenance Plant and Machinery	122.58	4.67	-	4.67	117.91
Repairs and Maintenance Buildings	629.98	28.74	-	28.74	601.24
Repairs and Maintenance Others	49.49	0.96	-	0.96	48.53
Office & Administration Expenses	41.21	0.09	-	0.09	41.12
Hospitality and Entertainment Expenses	175.59	11.56	-	11.56	164.03
Meeting Expenses	76.04	5.85	-	5.85	70.19
Misc. Expenses	140.39	0.86	-	0.86	139.52
Communication Expenses	758.91	35.90	-	35.90	723.01
Rent, Rates and Taxes	2,169.04	69.23	-	69.23	2,099.81
Consultancy Fees	809.71	72.60	-	72.60	737.11
Annual Technical Support-SAP/ AMC	3,349.88	452.89	-	452.89	2,897.00
Vehicle Running Charges & Insurance Charges	343.05	23.43	-	23.43	319.62
Hired Vehicle Expenses	2,352.26	236.67	-	236.67	2,115.59
Training & Seminar	289.52	2.06	-	2.06	287.46
Fees & Subscription	42.60	0.21	-	0.21	42.40
Electricity & Water Expenses	488.26	31.66	-	31.66	456.60
Printing & Stationary	309.96	20.22	-	20.22	289.73
Books, Periodicals & Newspapers	80.35	4.99	-	4.99	75.36
Freight & Labour Charges	49.18	1.27	-	1.27	47.91
Insurance	48.95	3.39	-	3.39	45.56
Raising Day Expense	33.36	0.05	-	0.05	33.31
Legal & Professional Charges	456.43	19.58	-	19.58	436.85
Postage & Telegram Expenses	31.30	1.57	-	1.57	29.72
Publicity & Advertisement Expenditure	319.71	16.24	-	16.24	303.47
Expenditure on Transit Camps/Guest House	46.35	1.27	-	1.27	45.08
Business Promotion Expenses	263.41	70.68	-	70.68	192.73
Power/ Water Park	42.79	-	-	-	42.79
Foreign Exchange Variation Cost	55.36	-	-	-	55.36
Land Acquisition Expenses	10.81	0.17	-	0.17	10.63
LADA	4,905.06	985.00	-	985.00	3,920.06
Relief and Rehabilitation Costs	7,397.67	995.27	-	995.27	6,402.40
Environmental and Ecology exp.	67,278.04	62,297.82	-	62,297.82	4,980.23
Expenditure on Enabling Assets	51.24	-	-	-	51.24
CAT Plan	6,884.04	-	-	-	6,884.04
Study and Research	43.68	5.31	-	5.31	38.37
Survey & Investigation	9,702.72	414.68	-	414.68	9,288.04
Construction Power HPSEBL 1-8-1	239.56	-	-	-	239.56
Environment Management Plan	1,099.06	45.56	-	45.56	1,053.51
Fuel expenses Data Centre	9.11	-	-	-	9.11
Gift & Presentation A/c (Pending Allocation)	3.39	-	-	-	3.39
Concarrarium & Stipend	225.68	0.19	-	0.19	225.49
Incidental expenses-Power Water & parks	(42.53)	-	-	-	(42.53)
OUTSOURCED MANPOWER EXPENSES (Pending Allocation)	4,945.58	708.00	-	708.00	4,237.58
Retain earning Adjustment unto FY 2014	2,847.95	-	-	-	2,847.95
SAFETY RELATED EXPENSES	0.22	-	-	-	0.22
Hydraulic and numerical Model	32.08	-	-	-	32.08
Winter Heating Exp. (Pending Allocation)	86.46	6.17	-	6.17	80.29
Wages (Daily paid staff) (PROJECT)	4.57	-	-	-	4.57
Remuneration to Auditors	31.42	4.54	-	4.54	26.88
Consumables Stores	103.83	5.07	-	5.07	98.76
Transmission lines	12.00	-	-	-	12.00
Common Cost, (HO & SNR)	(14,199.76)	2,381.42	(3,872.13)	(1,490.71)	(12,709.05)
Fisheries Management	(42.51)	-	-	-	(42.51)
Reliminary Expenses	11.91	-	-	-	11.91
Pre-construction & Construction stage Expenses	6.52	-	-	-	6.52
Incidental exp after COD(proportio)Stage-1 2017-18	(0.98)	-	-	-	(0.98)
Incidental exp Before COD Stage-1	(8,152.73)	-	-	-	(8,152.73)
Expenditure related to previous year	46.74	-	-	-	46.74
JC-Amount Settlement	(252.96)	-	-	-	(252.96)
JC Incidental investment clearing account	(6,041.42)	-	-	-	(6,041.42)
Financial Charges on lease	8.81	0.85	-	0.85	7.96
Interest/Penalty	0.31	0.31	-	0.31	-
TOTAL	91,057.36	68,987.34	(3,872.13)	65,115.22	25,942.14

Note No. 2.2.2.5

Miscellaneous Income Transferred to Expenditure During Construction:

Amount in Lacs

PARTICULARS	As at 31.03.2023	Addition during 22-23	Deletion during 22-23	Net During 2022-23	As at 31.03.2022
Interest from Banks Deposits/FDR's	(2,123.59)	(1.58)		(1.58)	(2,122.00)
Income from Providing design work/Lab Receipts	-	-		-	-
Interest from Employees	-	-		-	-
House Rent Collection from employees/Other recovery	-	-		-	-
Infirm Sale or Power	(16.82)	-		-	(16.82)
Interest on Tax Refunds	-	-		-	-
Income from sale of tender forms	(0.72)	-		-	(0.72)
Income from Contractors	-	-		-	-
Income from Transit Camp/Guest House	-	-		-	-
Gain on sale of Assets	(1.16)	-		-	(1.16)
Miscellaneous Receipts	(11,683.29)	(1,261.06)		(1,261.06)	(10,422.23)
TOTAL	(13,825.59)	(1,262.65)		(1,262.65)	(12,562.94)

- 6(c) -

HIMACHAL PRADESH POWER CORPORATION LIMITED

Note 2.3.1

Investment Property

As at 31-3-23

(In Lacs)

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.2022	Addition during the year	Deductions / Adjustments	As at 31.03.2023	As at 01.04.2022	Addition during the year	Deductions / Adjustments	As at 31.03.2023	As at 31.03.2022	
Building -Investment	46.91	-	-	46.91	19.85	0.00	-	21.26	25.65	27.06
Total	47	-	-	47	20	0	-	21	26	27

As at 31-3-22

(In Lacs)

Particulars	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01.04.2021	Addition during the year	Deductions / Adjustments	As at 31.03.2022	As at 01.04.2021	Addition during the year	Deductions / Adjustments	As at 31.03.2022	As at 31.03.2021	
Building -Investment	46.91	-	-	46.91	18.44	1.41	-	19.85	27.06	28.47
Total	47	-	-	47	18	1	-	20	27	28

Himachal Pradesh Power Corporation Limited

Sub Note No 2.4.1 Other Intangible Assets

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2022	Addition during the year	Deductions / Adjustments	As at 31.03.2023	As at 01.04.2022	Addition during the year	Deductions / Adjustments	As at 31.03.2023	As at 31.03.2023	As at 31.03.2022
	(In Lacs)									
Software	69.14	32.30	-	101.44	52.98	5.87	-	58.85	42.59	16.16
Total	69.14	32.30	-	101.44	52.98	5.87	-	58.85	42.59	16.16

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2021	Addition during the year	Deductions / Adjustments	As at 31.03.2022	As at 01.04.2021	Addition during the year	Deductions / Adjustments	As at 31.03.2022	As at 31.03.2022	As at 31.03.2021
	(In Lacs)									
Software	69.14	-	-	69.14	48.49	4.49	-	52.98	16.16	20.65
Total	69.14	-	-	69.14	48.49	4.49	-	52.98	16.16	20.65

Himachal Pradesh Power Corporation Limited

Non Current Assets

2.7 Other Non Current assets

(In Lacs)

As at March 31,2023 As at March 31,2022

	As at March 31,2023	As at March 31,2022
Capital Advances		
Advances to Suppliers and Contractors		
Covered By Bank Guarantee	-	-
Unsecured Considered Good	4,163.50	5,781.31
Others	-	-
Loans and Advances to Related Parties		
Unsecured Considered Good	60.50	60.50
Less: Provision for Doubtful Advances	(60.50)	(60.50)
Advances to Govt Departments		
Advances to Others		
Others- Secured Considered Good	54.99	46.26
Others- Unsecured Considered Good	191.44	383.34
Total Advnnces (A)	4,409.93	6,210.91
Others		
Recoverable from Contractors		
Others- Secured Considered Good	-	-
Others- Unseured Considered Good	1,560.19	1,560.19
Recoverable from staff	-	-
Deposits with Income Tax Authorities	7,655.07	7,599.29
Deposits with Courts	-	-
Other Recoverable	20.44	19.21
Capital Stores at Cost		
Other Items		
Grant Receivables- Non Current	60,729.56	97,189.90
Prepaid Expenses	-	2.99
Deferred Employee Benefits Expense	-	-
Total - Others (B)	69,965.25	1,06,371.57
Total Other Non- Current Assets (C)=(A+B)	74,375.18	1,12,582.48

Himachal Pradesh Power Corporation Limited

Current Assets

2.8 Inventories

(In Lacs)

Particulars	As at March 31,2023	As at March 31,2022
Inventories	72.43	40.36
Loose Tools	86.41	89.69
Stores and Spares	792.44	744.33
Less : Provision for Shortage of store and Obsolescence		
Total	951.29	874.37

2.9 Trade Receivables

(In Lacs)

Particulars	As at March 31,2023	As at March 31,2022
Secured Considered good		
Unsecured considered good:		
Sale of Power	1,037.36	484.80
Others(HPTCL)	23.77	23.77
Total	1,061.13	508.57

2.10 Cash and cash equivalents

(In Lacs)

Particulars	As at March 31,2023	As at March 31,2022
*Term Deposits (having original maturity of upto 3 months)		
Cash and Bank Balances		
Cash in Hand	0.27	0.18
Stamps in Hand	0.16	0.15
Balance with Banks	-	-
Current Deposits	13,209.94	1,608.20
Term Deposits with maturity upto 3 months	-	-
Total	13,210.37	1,608.53

2.11 Bank Balance - Other than above

(In Lacs)

Particulars	As at March 31,2023	As at March 31,2022
Earmarked Balance (Unpaid Dividend)	-	-
Margin Money for Pledged Deposits	-	-
Other term Deposits having maturity period of more than 3 months	-	-
Margin Money for BG/ Letter of Credit	3,116.68	3,320.18
Total	3,116.68	3,320.18

2.12 Loans

(In Lacs)

Particulars	As at March 31,2023	As at March 31,2022
Security Deposits		
Secured Considered Good	-	-
Unsecured considered good	0.62	60.65
Doubtful		
Recoverable from Staff	0.24	1.98
Advances to Employees		
Secured considered good	-	-
Unsecured Considered Good	0.33	0.03
Doubtful	-	-
Total Loans	1.19	62.65

2.13 Other Assets

(In Lacs)

Particulars	As at March 31,2023	As at March 31,2022
Interest Accrued but not due on deposits with Banks	59.82	35.54
Interest recoverable	17.56	18.71
Amount Receivable from Others	358.90	228.58
Amount Recoverable from Contractor & Suppliers	19,123.37	19,294.07
Less Provision for Doubtful Recoverable from contractor & suppliers	(13,034.42)	(13,034.42)
Total Other Financial Assets	6,525.23	6,542.48

2.14 Other Current Assets

(In Lacs)

Particulars	As at March 31,2023	As at March 31,2022
Advances Others		
Secured Considered Good	-	-
Unsecured considered good	21.89	21.89
Advance to Suppliers and Contractors		
Secured Considered Good	-	-
Unsecured considered good	4,834.15	4,416.62
Advances to Govt Departments		
Secured Considered Good	-	-
Unsecured considered good	750.80	634.92
Others		
Prepaid Expenses	804.46	312.85
Amount Recoverable from tax authorities	-	10.18
Deposits with Courts	38,775.33	21,179.57
Other Recoverable	15.41	0.00
Recv from Rent	29.92	29.92
Total	45,231.96	26,605.94

Himachal Pradesh Power Corporation Limited

2.15 Equity Share Capital

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Share Capital (Rs. In lacs)	No. of Shares	Share Capital (Rs. In lacs)
AUTHORISED Equity Shares of par value @ 1000/- each	2,50,00,000	2,50,000	2,50,00,000	2,50,000
ISSUED, SUBSCRIBED AND FULLY PAID UP Equity Shares of par value @ 1000/- each fully paid up	2,30,24,779	2,30,247.79	2,25,10,279	2,25,102.79
Total		2,30,247.79		2,25,102.79

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

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	%	No. of shares	%
Government of Himachal Pradesh (GoHP)	98,45,491	42.76	93,30,991	41.45
Himachal Pradesh Infrastructure Development Board	1,18,71,507	51.56	1,18,71,507	52.74
Himachal Pradesh Electricity Board Limited	13,07,731	5.68	13,07,731	5.81
	2,30,24,729		2,25,10,229	

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

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Share Capital (Rs. In lacs)	No. of Shares	Share Capital (Rs. In lacs)
Number of shares at the beginning	2,25,10,279	2,25,102.79	2,18,77,133	2,18,771.33
No. of shares issued during the year	5,14,500	5,145.00	6,33,146	6,331.46
No. of shares Bought Back during the year				
Number of shares at the end	2,30,24,779	2,30,247.79	2,25,10,279	2,25,102.79

Himachal Pradesh Power Corporation Limited
Statement of Changes in Equity

(In Lacs)

A. Equity Share Capital					
(1) For FY 2022-23					
	Balance as at 1st April, 2022	Changes in equity shares capital due to prior period errors	Restated balance as at 1st April, 2022	Changes in equity shares capital during the year	Balance as at 31st March, 2023
	2,25,102.79		2,25,102.79	5,149.00	2,30,247.79
(2) For FY 2021-22					
	Balance as at 1st April, 2021	Changes in equity shares capital due to prior period errors	Restated balance as at 1st April, 2021	Changes in equity shares capital during the year	Balance as at 31st March, 2022
	2,18,771.33		2,18,771.33	6,331.46	2,25,102.79

2.16

B. Other Equity

(1) For FY 2022-23														
	Share application on money pending allotment	Equity component of compound financial instrument	Reserve & Surplus				Debt Instrument through other Comprehensive	Equity Instrument through Other Comprehensive	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange difference on translating the financial statement	Other Items of Other Comprehensive Income (Specify)	Other Items of Other Comprehensive Income (Specify)	Total
			Capital Reserve	Securities Premium	Other Reserve (Specify nature)	Retained Earnings								
Balance as on 1st April, 2022	275.00					-68,467.62								(68192.62)
Changes in accounting policy or prior period errors						21.50								21.50
Restated balance at the beginning of the current reporting period	275.00					-68,446.12								(68171.12)
Total comprehensive income for the current year						206.55								206.55
Dividends														0.00
Transfer to retained earnings						-9,330.28								(9330.28)
Any other change	1,590.00													1590.00
Balance as on 31st March, 2023	1,865.00					-77,569.85								(75704.85)
(2) For FY 2021-22														
	Share application on money pending allotment	Equity component of compound financial instrument	Reserve & Surplus				Debt Instrument through other Comprehensive	Equity Instrument through Other Comprehensive	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange difference on translating the financial statement	Other Items of Other Comprehensive Income (Specify)	Other Items of Other Comprehensive Income (Specify)	Total
			Capital Reserve	Securities Premium	Other Reserve (Specify nature)	Retained Earnings								
Balance as on 1st April, 2021						-57,897.84								(57897.84)
Changes in accounting policy or prior period errors						364.27								364.27
Restated balance at the beginning of the current reporting period						-57,533.57								(57533.57)
Total comprehensive income for the current year						-171.32								(171.32)
Dividends														0.00
Transfer to retained earnings						-10,962.73								(10962.73)
Any other change	275.00													275.00
Balance as on 31st March, 2022	275.00					-68,467.62								(68192.62)

For and on behalf of the Board of Directors


(B. L. Varma)
AGM (Finance)


(Sudershan K Sharma)
Consultant (Company Secretary)


(Shyam Pratap Singh)
Director (Finance)
DIN No. 10243812


(Harikesh Meena)
Managing Director
DIN No. 09333558

This is the Statement of Changes in Equity referred to our report of eve

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

(CA Suresh Chand Soni)
Partner
M. No. 083106
Place: Shimla
Date:

Himachal Pradesh Power Corporation Limited

Non Current Liabilities

2.17 Borrowings

(In Lacs)

Particulars	As at March 31,2023	As at March 31,2022
Term Loans		
From Banks:		
A Secured		
From UCO Bank	-	-
From PFC Loan Shongtong	18,147.95	-
Total (A)	18,147.95	-
B Unsecured		
Government of Himachal Pradesh Loan for Shongtong HEP <i>(Rate of Interest 3.83% p.a. payable in halfyearly instalments from July 2018 to January 2028)</i>	4,129.46	5,162.46
Government of Himachal Pradesh Loan for Shongtong HEP <i>(Rate of Interest 0.75% p.a. payable in halfyearly instalments from July 2023 to January 2053)</i>	4,793.96	4,959.26
Government of Himachal Pradesh Loan (Trench 1) <i>(Rate of Interest 10% pa payable in yearly instalments of principal and interest from April 18 to January 2023)</i>	-	-
Government of Himachal Pradesh Loan (Trench 2) <i>(Rate of Interest 10% pa payable in yearly instalments of principal and interest from April 18 to January 2025)</i>	2,771.88	5,543.77
Government of Himachal Pradesh Loan (Trench 3) <i>(Rate of Interest 10% pa payable in yearly instalments of principal and interest from April 18 to January 2026)</i>	21,062.43	31,579.78
Government of Himachal Pradesh Loan (Trench 4) <i>(Rate of Interest 10% pa payable in yearly instalments of principal and interest from April 18 to January 2027)</i>	12,226.69	17,134.19
Government of Himachal Pradesh Loan (SEC.TRM.LOAN HP Govt)	-	-
Unsecured Term Loan Chanju-III -AFD <i>(Rate of Interest 2.39 % pa payable in semi annual instalments for each calendar half year on or before 15th January/ 15th July succeeding half year to which the interest relates)</i>	35.55	-
Unsecured Term Loan Deothal Chanju- AFD <i>(Rate of Interest 2.39 % pa payable in semi annual instalments for each calendar half year on or before 15th January/ 15th July succeeding half year to which the interest relates)</i>	22.21	-
Total (B)	45,042.18	64,379.46
Total Term Loans from Banks (A+B)	63,190.13	64,379.46

2.18 Lease Liabilities

(In Lacs)

	As at March 31,2023	As at March 31,2022
Lease Liabilities -Non Current	65.46	682.92
Total	65.46	682.92

2.19 Other Financial Liabilities

(In Lacs)

	As at March 31,2023	As at March 31,2022
Deposits, Retention Money from Contractors and Others	2,108.99	1,278.71
Liabilities For Contractors & Suppliers	0.21	0.14
Provision for Expenses	2,036.42	3,104.66
Deferred Repayment of Interest of GOHP Loan	-	-
Total	4,145.63	4,383.51

Himachal Pradesh Power Corporation Limited

Non Current Liabilities		
2.20 Provisions		
	(In Lacs)	
Particulars	As at March 31,2023	As at March 31,2022
Unfunded Employee benefit		
Pension Contribution	1,472.64	1,241.44
Gratuity	1,736.63	1,620.79
Leave Enchament	4,107.72	3,832.89
Total	7,316.99	6,695.12

2.21 Deferred tax liabilities (Net)

(In Lacs)		
	As at March 31,2023	As at March 31,2022
Deferred Tax Liabilities	-	-
Total	-	-

2.22 Other Non-Current Liabilities

(In Lacs)		
	As at March 31,2023	As at March 31,2022
Capital Grant government of India		
Utilised Grant		
Renuka		
Opening Balance	1,70,788.37	1,23,156.97
Additions during the year	76,783.35	47,631.40
Less: Accumulated depreciation on fixed Assets	263.47	240.31
Less: Accumulated Depreciation on Fixed Assets write-off during the year	0.03	0.03
Closing Balance	2,47,308.22	1,70,548.02
Gyspa		
Opening Balance	1,272.92	1,250.93
Additions during the year	9.84	21.99
Less: Accumulated depreciation on fixed Assets	43.24	39.84
Closing Balance	1,239.51	1,233.08
Total Utilised grant	2,48,547.73	1,71,781.10

Himachal Pradesh Power Corporation Limited

Current Liabilities

2.23 Borrowings

(In Lacs)

Particulars	As at March 31,2023	As at March 31,2022
A Secured		
From Banks		
'From UCO Bank	-	1,639.46
'From PFC Loan Shongtong		
From Others		
From KCCBL	0.10	13,966.58
HPSCBL CCL	1,537.65	3,359.15
B Unsecured		
Government of Himachal Pradesh Loan	2,08,506.73	1,89,111.69
Total	2,10,044.48	2,08,076.89

2.24 Lease Liabilities

(In Lacs)

Particulars	As at March 31,2023	As at March 31,2022
Lease Liabilities	678.69	167.16
Total	678.69	167.16

2.25 Trade Payables

(In Lacs)

Particulars	As at March 31,2023	As at March 31,2022
Trade Payables	-	-
Total	-	-

2.26 Other Financial Liabilities

(In Lacs)

Particulars	As at March 31,2023	As at March 31,2022
Liabilities for employees Remuneration and Benefit	167.13	128.33
Interest Accrued and Due on Loan (ADB & KFW)	2,20,326.37	1,96,030.03
Salary & Other Exps. Payable to Employees	0.10	-
Advance for deposit Work	100.10	0.10
Deposits, Retention Money from Contractors and Others	1,418.60	8,814.23
Liabilities for Government Departments	64,956.89	98,629.35
Liabilities For Contractors & Suppliers	2,317.57	2,580.16
Provision for Expenses	22,437.51	10,334.29
Taxes and Duties Payable	206.84	136.28
Other Liabilities	-	-
Interest Accrued but not due on Loan (PFC)	70.94	-
Total	3,12,002.04	3,16,652.76

2.27 Provisions

(In Lacs)

Particulars	As at March 31,2023	As at March 31,2022
Unfunded Employee benefit		
Gratuity	-	-
Leave Enchasmant	-	-
Provision for Income Tax	0.30	-
Total	0.30	-

Himachal Pradesh Power Corporation Limited

2.28 Revenue from Operations		(In Lacs)	
	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022	
Sales			
Energy Sales	38,461.72		40,033.91
Less: Purchase of Power (RTM)	(11.07)		(17.82)
Total Energy Sale(A)	38,450.66		40,016.09
Sale of Services			
Rent from Property	37.94		39.76
Total Sale of Services (B)	37.94		39.76
Total Revenue from Operations(C)=(A+B)	38,488.59		40,055.85

2.29 Other Income		(In Lacs)	
	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022	
Miscellaneous Income	206.43		114.34
Total	206.43		114.34
#Miscellaneous Income			
Income for providing Design works/Lab Receipt	1.01		0.09
Interest from Banks	5.49		7.82
Late Payment Surcharge	32.85		5.45
Rebate NRLDC Fee Chg	6.19		1.81
Interest on Bank Deposit - FDR's	73.30		25.24
Others	87.59		73.94
Total	206.43		114.34

2.30 Employee Benefits Expense		(In Lacs)	
Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022	
Salaries, Wages, Allowances and Benefits	2,215.87		2,290.67
Contribution to Provident and Other Funds	146.11		95.61
Leave Salary and Pension Contribution *	174.92		335.04
Welfare Expenses	167.28		276.58
Total	2,704.19		2,997.90

2.31 Finance Costs		(In Lacs)	
Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022	
Bank Charges	0.06		0.14
Interest on Term Loan	19,603.57		19,653.32
Interest on Other Loan (KCCB, HPSCBL)	709.64		624.04
Total	20,313.27		20,277.51

2.32 Depreciation and Amortization Expense		(In Lacs)	
Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022	
Depreciation for the Year	20,722.13		20,588.86
Depeccation Charged to Statement of Profit & Loss	20,722.13		20,588.86

Himachal Pradesh Power Corporation Limited

2.33 Other Expenses

Office and Administrative Expenditure

(In Lacs)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Repair and Maintenance		
Buildings	90.25	75.14
Roads	97.29	119.54
Plant & Machinery	1,396.84	854.18
Office Equipments & Furnitures	0.90	0.87
Civil Works	313.77	339.62
Vehicles	0.10	0.42
TOTAL (A)	1,899.15	1,389.76
Expenses related to sales of power		
Expenses in relation to sale of power	1,177.82	4,388.99
Free Power	67.66	62.09
Rebate to Customers	56.87	37.12
TOTAL (B)	1,302.36	4,488.21
Other expenses		
Rent, rates and Taxes	3.86	3.25
Insurance -Other Assets	558.08	330.90
Electricity & Water Charges	38.48	35.66
Travelling & Conveyance	2.30	1.17
Traning Expenses	0.60	0.41
Legal and Professional Charges	118.82	74.44
Communication Expenses	11.69	11.06
Printing & Stationery	4.53	5.12
Statutory Audit Fees	8.29	7.85
Consultancy fees	5.48	3.03
Publicity and Advertisement Expenses	1.79	16.32
Hiring of Vehicles	150.78	137.54
Vehicle Running Charges and Insurance Charges	1.30	4.15
Annual Technical Support- SAP	2.14	1.48
Fees and subscription	17.85	5.00
Expenses on Transit Camps	0.38	0.34
Books & Periodicals	1.47	1.07
Hospitality and Entertainment Expense	1.96	2.43
Freight and Labour Charges	0.06	0.03
Postage and Telegram Expenses	0.31	0.37
Raising Day Expense	0.64	10.95
Meeting Expenses	0.38	0.44
Environment & Ecology Expenses	39.28	(24.95)
Office Expenses	31.03	23.31
Interest & penalties under I.Tax	0.09	0.38
Loss on Sale of Fixed Assets	0.23	59.54
Miscellaneous Expenses	6.50	199.34
CAT Plan Expenses	75.77	(0.00)
Training Expense O&M	-	-
Contribution to IIT	-	480.00
Intt../Penalty- Entry	-	0.06
Prior Period Expense	0.12	-
TOTAL (C)	1,084.19	1,390.69
GRAND TOTAL (A) + (B) + (C)	4,285.70	7,268.66

Himachal Pradesh Power Corporation Limited

2.34 Other Comprehensive Income

(In Lacs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
A. Items that will not be reclassified to profit & loss		
(ii) Remeasurement of the defined benefit plans	(206.55)	171.32
Total	(206.55)	171.32

2.35 Earning Per Share Basic and Dilluted

(In Lacs)

Particulars	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Net Profit After Tax	(9,124)	(11,134)
Weighted Average No. of shares	2,27,67,529	2,25,10,279
Face value of share	1,000	1,000
EPS	-40.07	-49.46

Note No 2,36

Disclosure on Financial Instruments and Risk Management

i) Fair Value Measurement

a) Financial Instruments by Category

(Rs. In lacs)

Particulars	Note No	As at March	As at March
		31,2023	31,2022
		Amortised Cost	Amortised Cost
Financial Assets			
Non Current Financial Assets			
(i) Investments	2.5		
(ii) Loans	2.6	151	89
(iii) Others	2.7		
Bank Deposits with more than 12 Months Maturity			
Current Financial Assets			
(i) Trade Receivables	2.9	1061	509
(ii) Cash and Cash Equivalents	2.10	13210	1,608
(iii) Bank Balance other than above	2.11	3117	3,320
(iv) Loans	2.12	1	63
(v) Other Assets			
Interest Accrued	2.13	60	36
Other Recoverable	2.13	19500	19,542
Total Financial Assets		37,100	25,166
Financial Liabilities			
(i) Long Term Borrowings			
a) Term Loans Financial Institutions	2.17		-
b) Term Loans from Others	2.17 & 2.19	63190	64,379
(ii) Deposits / retention non current	2.19	4146	4,384
Current Financial Liabilities			
(iii) Other Financial Liabilities			
a) Current Maturity of Term Loans Financial Institutions	2.26		-
b) Current Maturity of Term Loans other	2.26		-
c) Deposit/ Retention Money	2.26	1419	8,814
d) Liability against Capital Works	2.26	2318	2,580
e) Other Payables	2.23 & 2.26	309703	3,24,205
Total Financial Liabilities		3,80,775	4,04,363

Note :- The Company does not classify any financial Assets/ Financial Liabilities at fair value through profit and Loss and other comprehensive Income

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 measures at carrying cost

(Rs. In lacs)

	Note No	As at March 31,2023		As at March 31,2022	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets					
(i) Loans to employees and Others	2.6 & 2.12	152	152	152	152
(ii) Other		-	-	-	-
Bank deposits with more than 12 months maturity		-	-	-	-
Total Assets		152	152	152	152
Financial Liabilities					
(i) Long term Borrowings(including current Maturity and Interest	2.17 & 2.26	2,83,587	2,83,587	2,60,409	2,60,409
(ii) Deposit / Retention Money/others (Including Current Liabilities)	2.19 and 2.26	5,945	5,945	13,162	13,162
Total Liabilities		2,89,533	2,89,533	2,73,571	2,73,571

Significant Estimates:

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The company uses its judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Deposits/ Retention money are fair valued using the domestic borrowing rate applicable to the company at the year end .

Disclosure as per Ind AS 8 - 'Accounting Policies, Changes in Accounting Estimates and Errors'

(A) Restatement for the year ended 31st March 2022 and as at 1st April 2021

In accordance with Ind AS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1, 'Presentation of Financial Statements', the Company has retrospectively restated its Balance 31st March 2022 and 1st April 2021 (beginning of the preceding period) and Statement of Profit and Loss and Statement of Cash Flows for the year ended 31st March 2022 for the reasons as stated in the

Reconciliation of Restated items of Balance Sheet as at 31st March 2022 & 1st April 2021 :

Particulars	Note No.	As at March 31,2022			As at April 1, 2021			Amt. In Lacss.
		As Previously Reported	IND AS 8 Adjustment	As Restated	As Previously Reported	IND AS 8 Adjustment	As Restated	
		Capital Work-in-Progress	(i)	2,20,497.35	31.40	2,20,528.75	1,92,903.62	371.98
Extract Total			31.40			371.98		
Other Equity	(i)	(68,556.89)	21.50	(68,535.40)	(57,697.84)	364.27	(57,333.57)	
Provision for expenses	(i)	10,316.67	9.91	10,326.58	6,014.11	7.71	6,021.82	
Extract Total			31.40			371.98		

Reconciliation of Restated items of Satement of Profit and Loss for the year ended 31st March 2021

Particulars	Note No.	As at March 31,2022		
		As Previously Reported	IND AS 8 Adjustment	As Restated
Finance cost		20,277.51	(31.40)	20,246.10
Other Expenses	(i)	7,268.66	4.61	7,273.26
Employee Benefit Expenses	(i)	2,997.90	5.30	3,003.20
Profit after Tax				

Notes:

i) Certain reclassification have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements.

(ii) 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 advances 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:

a) 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.

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 Fixed rates	sensitivity analysis	interest rate swaps/change of financer

b) 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.

c) 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 risks: 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 financial instrument/advances/retention money 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, 2023 and 31st March, 2022. 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 Discoms to whom late payment surcharge is as per the HPERC regulation. Further, the fact that beneficiaries are primarily 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 carrying cost:

The advances to contractors and other recoverable are shown at carrying cost. 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/net worth 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 an optimum level 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 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 head room 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.

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 date 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 2.19, 2.21, 2.25 & 2.28)

(Rs. in lacs)

As at 31st March, 2023						
Contractual maturities of financial liabilities	Note No.	Outstanding debt on 31.03.2023	Within 1 year	More than 1 year and less than 3 years	More than 3 years and less than 5 years	More than 5 years
1. Borrowings (Including interest accrued but not due)	2.19, 2.28	492094	427433	37698	4789	22175
2. Other current & financial liabilities	2.21, 2.25 & 2.28	32164	28018	4146	-	-

(Rs. In Lacs)

As at 31st March, 2022						
Contractual maturities of financial liabilities	Note No.	Outstanding debt on 31.03.2022	Within 1 year	More than 1 year and less than 3 years	More than 3 years and less than 5 years	More than 5 years
1. Borrowings (Including interest accrued but not due)	2.18, 2.20, 2.24 & 2.27	2,55,130	1,90,751	50,502	8,918	4,959
2. Other current & financial liabilities	2.20 & 2.27	5,29,096	5,24,712	4,384	-	-

(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 has taken borrowings from state government and PFC, only at fixed rate of interest which is not subjected to risks of changes in market interest rates and the same has been shown at carrying value.

Particulars	Rs. in Lacs	
	As At 31st March 2023	As At 31st March 2022
Fixed Rate Borrowings	46513.79	64,379

ii) Price Risk: 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: Foreign Currency Risk Exposure:

The company's exposure to foreign currency risk at the end of the reporting period expressed (*in lacs*) is as follows:

Particulars	As At 31st March 2023			As At 31st March 2022		
	USD	Euro	CHF	USD	Euro	CHF
Financial Assets						
Net Exposure to foreign currency risk -Asset (A)	7.92	0.84	0	7.92	0	0
Financial Liabilities						
Retention Money	0	0	0	0	0	0
Other Payables	0	0	0	0	0	0

Net Exposure to foreign currency risk –Liabilities(B)	0	0	0	0	0	0
Net Exposure to foreign currency risk (A-B)	7.92	0.84	0	7.92	0	0

The foreign currency risk is only for the foreign currency advances and other liability on account supplier dues and retention money payable to contractors. 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.

(iii) 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, 2023.

The Company monitors capital using gearing ratio, which is net debt divided by total of Capital and Net Debt. The gearing ratios are as follows:

Particulars	(Rs. In Lacs)	
	As at 31st March 2023	As at 31st March 2022
a) Loans and Borrowings	2,55,086.79	2,72,456.00
b) Trade and Other Payables	5,72,012.68	4,99,495.00
b) Less: Cash and Cash Equivalents	13,210.00	1,609.00
c) Net Debt	8,13,889.47	7,70,342.00
d) Total Capital	1,54,543.00	1,56,546.00
e) Capital and Net Debt	9,68,432.47	9,26,888.00
f) Gearing Ratio (%age)	84.04	83.11

Note: For the purpose of the Company's capital management, capital includes issued capital, and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits.

(b) Loan Covenants:

Under the terms of the major borrowing facilities, the company is required to comply with the following financial covenants:-

There is requirement to maintain Debt Equity ratio of 70:30 by the ADB, which is funding agency to the State Government.

(c) Dividends:

The Company started commercial operation during the year 2016-17 and total cumulative loss as on 31.03.2023 is Rs. 75704.84 lacs, thus no dividend has been declared by the company.

Other Explanatory Notes to Accounts:

2.41 Contingent Liabilities:

(a) Claims against the Company not acknowledged as debts in respect of:

(i) Capital works:

Contractors have lodged claims as on 31.3.2023, aggregating to approx. Rs. 91440.77 lacs, 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 lying at arbitration tribunal/other forums/other Courts. As the amounts recommended by the Dispute Boards (DBs) are much less than the amounts claimed by the contractors, the claims on account of further interest and escalation, if any, have not been considered.

Particulars	Rs. In Lac	
	31 st March 2023	31 st March 2022
Capital Works	91440.77	77378.51
Land Compensation	76100.36	79245.46
Others	4875.96	457.52
Total	172417.09	157081.49

(ii) Land Compensation cases:

In respect of land acquired for the projects, some of the land losers have filed claims for higher compensation amounting to Rs.76100.36 lacs as on 31.03.2023, before various authorities/courts. Company has shown the same as contingent liability as the matter is subjudice.

(iii) Others:

- a) Claims on account of other matters as on 31.03.2023, amounting to Rs. 4875.96 Lacs, mainly on account of claims for EPF, Data Centre, diversion of forest land & building etc.

The above is summarized below as at 31.03.2023:

Particulars	Claims as on 31.3.2023	Provision Against The Claims	Rs. In Lac		
			Contingent Liability as on 31.3.2023	Contingent Liability as on 31.3.2022	Addition /deletion of Contingent Liability for the period
Capital Works	91,440.77	0	91,440.77	77,378.51	14,062.26
Land Compensation	76,100.36	0	76,100.36	79,245.46	-3,145.10
Others	4,875.96	0	4,875.96	457.52	4,418.44

The above is summarized below as at 31.03.2022:

Rs. In Lac					
Particulars	Claims as on 31.3.2022	Provision Against The Claims	Contingent Liability as on 31.3.2022	Contingent Liability as on 31.3.2021	Addition /deletion of Contingent Liability for the period
Capital Works	77,378.51	0	77,378.51	80,166.75	-2,788.24
Land Compensation	79,245.46	0	79,245.46	1,68,618.40	-89,372.94
Others	457.52	0	457.52	5,489.65	-5,032.13

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.

2.42 Detail of Contingent Assets:

(Rs. In Lacs)

Particulars	As At 31 st March 2023	As At 31 st March 2022
Civil Work and E & M works	40930.73	60816.73

2.43 Estimated amount of commitments not provided for is as under: (In Lacs)

Particulars	Currency	As At 31 st March 2023	As At 31 st March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for	INR	113318.13	82322.38
	Euro	54.15	702.58
	US\$	6.33	4132.78

2.44 The effect of foreign exchange fluctuation during the year is as under: (Rs. In Lacs)

Sr. No.	Particulars	Year ended 31.3.2023	Year ended 31.3.2022
(i)	Amount Charged to Statement of Profit and Loss Account excluding depreciation	54.94	21.91 (Net)
(ii)	Amount Charged to Expenditure attributable to construction	Nil	Nil
(iii)	Amount adjusted by addition to the carrying amount of fixed Assets	Nil	Nil

2.45 Disclosure under the provisions of IND-AS-19 'Employee Benefits': General description of various defined employee benefits are as under:

Defined Contribution plans:

Pension:

The Company employees are not covered under any Government pension scheme. However, the employees of the HPSEBL who are on secondment basis with the company the pension contribution is payable to the HPSEBL as per the formula devised by them.

b)	Acquisition adjustment	--	--
c)	Interest Cost	9,383,069	11,702,087
d)	Service Cost	14,994,017	15,822,300
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	(1,364,670)	(8,149,807)
g)	Total Actuarial (Gain)/Loss on Obligation	1,080,056	(7,790,307)
h)	Present value of obligation as at the End of the period	162,078,774	173,663,047

Bifurcation of Actuarial Gain/Loss on Obligation

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(8,058,500)	(3,131,494)
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	9,138,556	(4,658,813)

Significance of actuarial gain/loss - Recurring significant amount of actuarial gain/loss arising from experience as percentage of PBO in a year indicates that valuation assumptions need reconsideration unless it is caused by some exceptional event during the inter-valuation period.

Balance Sheet and related analysis

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Present Value of the obligation at end	162,078,774	173,663,047
b)	Fair value of plan assets	--	--
c)	Unfunded Liability/provision in Balance Sheet	(162,078,774)	(173,663,047)

The amounts recognized in the income statement.

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Total Service Cost	14,994,017	15,822,300
b)	Net Interest Cost	9,383,069	11,702,087
c)	Expense recognized in the Income Statement	24,377,086	27,524,387

Other Comprehensive Income (OCI)

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Net cumulative unrecognized actuarial gain/(loss) opening	--	--
b)	Actuarial gain / (loss) for the year on PBO	(1,080,056)	7,790,307

c)	Actuarial gain /(loss) for the year on Asset	--	--
d)	Unrecognized actuarial gain/(loss) for the year	(1,080,056)	7,790,307

Change in Net Defined Benefit Obligation

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Net defined benefit liability at the start of the period	137,986,302	162,078,774
b)	Acquisition adjustment	--	--
c)	Total Service Cost	14,994,017	15,822,300
d)	Net Interest cost (Income)	9,383,069	11,702,087
e)	Re-measurements	1,080,056	(7,790,307)
f)	Contribution paid to the Fund	--	--
g)	Benefit paid directly by the enterprise	(1,364,670)	(8,149,807)
h)	Net defined benefit liability at the end of the period	162,078,774	173,663,047

Bifurcation of PBO at the end of year in current and non current.

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Current liability (Amount due within one year)	10,008,744	11,996,351
b)	Non-Current liability (Amount due over one year)	152,070,030	161,666,696
	Total PBO at the end of year	162,078,774	173,663,047

Expected contribution for the next Annual reporting period.

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Service Cost	15,848,713	16,959,501
b)	Net Interest Cost	11,702,087	12,816,333
c)	Expected Expense for the next annual reporting period	27,550,800	29,775,834

Sensitivity Analysis of the defined benefit obligation.

(Amt. in Rs.)

a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	173,663,047
a)	Impact due to increase of 0.50%	(9,297,778)
b)	Impact due to decrease of 0.50 %	10,091,313
b) Impact of the change in salary increase		
	Present Value of Obligation at the end of the period	173,663,047
a)	Impact due to increase of 0.50%	3,840,093
b)	Impact due to decrease of 0.50 %	(3,938,245)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

(iii) Leave encashment:

The Company has a defined benefit leave encashment plan for its Employees. Under this plan they are entitled to encashment of earned leaves and medical leaves subject to limits and other conditions specified for the same. The liability of the same is recognised on the basis of actuarial valuation. However the employees of the HPSEBL who are on secondment basis with the company, the leave salary contribution is payable to the HPSEBL as per the formula devised by them.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the Leave encashment plan and the amounts recognized in the Company's financial statements as at balance sheet date:

(Amt. in Rs.)

Assets / Liability	31/03/2022	31/03/2023
a Present value of obligation	206,910,761	224,110,793
b Fair value of plan assets	--	--
c Net assets /(liability) recognized in balance sheet as provision	(206,910,761)	(224,110,793)

Plan Liability

The actuarial value of earned leave liability calculated on the above assumptions works out as under.

(Amt. in Rs.)

Date Ending	31/03/2022	31/03/2023
Present value of obligation as at the end of the period	206,910,761	224,110,793

Service Cost

(Amt. in Rs.)

	31/03/2022	31/03/2023
a) Current Service Cost	18,755,314	20,133,280
b) Past Service Cost including curtailment Gains/Losses	--	--
c) Gains or Losses on Non routine settlements	--	--
d) Total Service Cost	18,755,314	20,133,280

Net Interest Cost

(Amt. in Rs.)

	31/03/2022	31/03/2023
a) Interest Cost on Defined Benefit Obligation	10,799,615	14,938,957
b) Interest Income on Plan Assets	--	--
c) Net Interest Cost (Income)	10,799,615	14,938,957

Change in Benefit Obligation

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Present value of obligation as at the beginning of the period	158,817,866	206,910,761
b)	Acquisition adjustment	--	--
c)	Interest Cost	10,799,615	14,938,957
d)	Service Cost	18,755,314	20,133,280
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	(925,922)	(6,303,941)
g)	Total Actuarial (Gain)/Loss on Obligation	19,463,888	(11,568,264)
h)	Present value of obligation as at the End of the period	206,910,761	224,110,793

Actuarial Gain/Loss on Obligation

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Actuarial (Gain)/Loss on arising from Change in Demographic Assumption	--	--
b)	Actuarial (Gain)/Loss on arising from Change in Financial Assumption	(11,614,198)	(4,553,735)
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	31,078,086	(7,014,529)

Significance of actuarial gain/loss - Recurring significant amount of actuarial gain/loss arising from experience as percentage of PBO in a year indicates that valuation assumptions need reconsideration unless it is caused by some exceptional event during the inter-valuation period.

Balance Sheet and related analysis

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Present Value of the obligation at end	206,910,761	224,110,793
b)	Fair value of plan assets	--	--
c)	Unfunded Liability/provision in Balance Sheet	(206,910,761)	(224,110,793)

The amounts recognized in the income statement.

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Total Service Cost	18,755,314	20,133,280
b)	Net Interest Cost	10,799,615	14,938,957
c)	Net actuarial (gain) / loss recognized in the period	19,463,888	(11,568,264)
c)	Expense recognized in the Income Statement	49,018,817	23,503,973

Change in Net Defined Benefit Obligation

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Net defined benefit liability at the start of the period	158,817,866	206,910,761
b)	Acquisition adjustment	--	--
c)	Total Service Cost	18,755,314	20,133,280
d)	Net Interest cost (Income)	10,799,615	14,938,957
e)	Re-measurements	19,463,888	(11,568,264)
f)	Contribution paid to the Fund	--	--
g)	Benefit paid directly by the enterprise	(925,922)	(6,303,941)
h)	Net defined benefit liability at the end of the period	206,910,761	224,110,793

Bifurcation of PBO at the end of year in current and non current.

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Current liability (Amount due within one year)	10,341,464	9,583,161
b)	Non-Current liability (Amount due over one year)	196,569,297	214,527,632
	Total PBO at the end of year	206,910,761	224,110,793

Expected contribution for the next Annual reporting period.

(Amt. in Rs.)

		31/03/2022	31/03/2023
a)	Service Cost	19,772,704	21,516,485
b)	Net Interest Cost	14,938,957	16,539,377
c)	Expected Expense for the next annual reporting period	34,711,661	38,055,862

Sensitivity Analysis of the defined benefit obligation.

(Amt. in Rs.)

a) Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	224,110,793
a)	Impact due to increase of 0.50 %	(13,471,284)
b)	Impact due to decrease of 0.50 %	14,647,573
b) Impact of the change in salary increase		
	Present Value of Obligation at the end of the period	224,110,793
a)	Impact due to increase of 0.50 %	14,489,923
b)	Impact due to decrease of 0.50 %	(13,456,794)

Sensitivities due to mortality & withdrawals are not material & hence impact of change due to these not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

2.46 Segment information:

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., Lab Testing does 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:

(Rs. In Lacs)

Sr. No	Name of Customer	Revenue from Customers	Revenue from Customers	Revenue from Customers as %age of revenue	
		2022-23	2021-22	2022-23	2021-22
1	HPSEB Ltd.	13394.01	349.18	34.82	0.87
2	M/s TPTCL	25067.70	35204.63	65.18	87.94
3	M/s PTC	-	4480.10	-	11.19
	Total Revenue	38461.71	40033.91	100	100

2.47 Information on 'Related Party Disclosures' as per Ind AS 24 is as under:

(a) List of Related Parties:

(i) Directors & Key Management Personnel:

Name	Designation	Period/Duration (w.e.f.)
Sh. Devesh Kumar, IAS	Managing Director	25.06.2021 to 13.04.2022
Sh. Harikesh Meena, IAS		16.04.2022 to 25.05.2022
Dr. Ajay Kumar Sharma, IAS		25.05.2022 to 31.01.2023
Sh. Harikesh Meena, IAS		04.02.2023 to till date
Ms. Priyanka Verma, IAS	Director (Personnel & Finance)	28.06.2021 to 05.08.2022
Sh. Mukesh Repaswal, IAS		06.08.2022 to 19.01.2023
Dr. Amit Kumar Sharma, IAS		19.01.2023 to 03.07.2023
Sh. Shivam Pratap Singh, IAS		04.07.2023 to till date
Sh. Shashi Kant Joshi	Director (Electrical)	20.05.2020 to 13.10.2022
Sh. Mukesh Repaswal, IAS		20.10.2022 to 19.01.2023
Dr. Amit Kumar Sharma, IAS		19.01.2023 to 03.07.2023
Sh. Shivam Pratap Singh, IAS		04.07.2023 to till date
Sh. Surender Kumar	Director (Civil)	22.07.2021 to till date
Sh. Sudershan Kumar Sharma	Company Secretary	07.08.2008 to till date

(ii) Joint Ventures:

Name of Entity	Principal Place of operation	Principal Activities	Percentage of Shareholding/ voting Power	
			As At 31 st	As At 31 st March

			March 2023	2022
Himachal EMTA Power Limited	Kolkata	Thermal Power Generation	50%	50%

(iii) Transactions with the related parties are as follows:

(Rs In Lacs)

Particulars	Joint Venture Companies	
	2022-23	2021-22
Transactions During the Year		
Investment in Share Capital	-	-
Share Application Money	-	-
Amount Recoverable	-	-

2.48 Remuneration to Directors and Key Managerial Personnel:

(Rs In Lacs)

Sr. No.	Particulars	Year ended on 2022-23	Year ended on 2021-22
(i)	Short Term Employee Benefits	59.78	91.32
(ii)	Post Employment Benefits	Nil	6.17
(iii)	Other Long Term Benefits	Nil	Nil
(iv)	Termination Benefits	Nil	Nil
	Total	59.78	97.49

Whole Time Directors are allowed to the use of staff cars including private journeys on payment in accordance with company rules. Remuneration shown above includes value of perquisite on account of leased accommodation.

2.49 Interest in Other Entities:

(i) Interest in joint ventures:

The company's interest in joint ventures as at 31st March, 2023 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 of Company 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:

(Rs. In Lacs)

Name of Entity and place of Business	% of ownership Interest	Relationship	Accounting Method	Quoted Fair value		Carrying Amount	
				31 st March 2023	31 st March 2022	31 st March 2023	31 st March 2022
Himachal EMTA Power Limited	50	Joint Venture	Equity Method	*	*	*	*

* Unlisted Entity- no quoted Price available

** The Company has made provision of doubtful investments amounting to Rs. 338 lakhs in the F.Y. 2017-18. The same has been approved in 61st BoD meeting vide agenda item no. 61.27 dated 13.09.2017.

- The Company has 50 % interest in Himachal EMTA Power Limited, which is a Joint Venture with EMTA Limited for setting up (2*250 MW) thermal power Plant at Rani Ganj West Bengal. However the Hon'ble Supreme Court of India has cancelled all allotment of coal Blocks and termed all captive coal Blocks as illegal.

Summarised balance sheet as at 31 March 2023 using the Equity Method:

Himachal EMTA Power Limited		(Rs In lacs)	
	As At 31 st March 2023	As At 31 st March 2022	
Current Assets:			
Cash and cash Equivalents	17.06	16.33	
Other Assets	0.55	0.73	
Total Current Assets	17.61	17.06	
Total Non Current Assets	3.44	3.39	
Current Liabilities:			
Financial Liabilities	0.71	0.71	
Current Liabilities	1.60	1.66	
Total Current Liabilities	2.31	2.37	
Non Current Liabilities:			
Financial Liabilities	121.00	121.00	
Other Liabilities	83.66	45.83	
Total Non Current Liabilities	204.66	166.83	
Net Assets	-185.92	-148.75	

Summarised Statement of Profit and Loss using Equity Method:

(Rs. In lac)

	As At 31 st March 2023	As At 31 st March 2022
Revenue	0.00	0.00
Interest Income	0.63	1.23
Other Expenses	32.56	1.01
Depreciation and Amortisation	0.00	0.00
Profit Before Tax	(31.93)	0.24
Tax Expense	0.00	0.04
Total Comprehensive Income for the Year	(31.93)	0.21

2.50 Impairment of Assets:

Ind AS 36, in the opinion of the management there is no indication of any significant impairment of assets during the year.

2.51 Fair Valuation of assets and liabilities:

The company had adopted the carrying cost / value of all liabilities and assets as on 1st April 2015 and also on 1st April 2021, as the fair value of the assets and liabilities cannot be measured accurately due to the uncertainty involved in the estimating the exact date of commissioning of the projects, which is dependent on various external factors and which have impact on the payments to be made to the contractors and the amount to be recovered from them.

2.52 Other disclosures as per Schedule-III of the Companies Act, 2013 are as under:

	Particulars	Year ended on 2022-23	Year ended on 2021-22
A	Expenditure in Foreign Currency (EURO)	Nil	Nil

B	Earnings in Foreign Currency	Nil	Nil
C	Value of Import Calculated on CIF basis	Nil	Nil
i)	Capital Goods	Nil	Nil
ii)	Spare Parts	Nil	Nil
D)	Value of Component, Stores and Spare Parts Consumed	Nil	Nil
i)	Imported	Nil	Nil
ii)	Indigenous	Nil	Nil

**2.53 Quantitative details in respect of energy generated & sold :
Hydro & Solar Power:**

Sr. No	Particulars	Year ended on 2022-23	Year ended on 2021-22
1)	Licensed Capacity	281 MW	281 MW
2)	Installed Capacity	281 MW	281 MW
3)	Actual Generation (million Units)	912.18 MUs	959.90 MUs

2.54 Payment to Auditors includes: (Rs In Lacs)

Particulars	Year ended on 2022-23	Year ended on 2021-22
As Auditors		
Statutory Auditors	5.62	5.62
Tax Audit	1.00	1.00
Cost Audit	2.03	0.00
Other services	0.00	0.20
Reimbursement of Expenses(TA/DA)	0.27	0.00
Reimbursement of GST	1.56	1.05
Total	10.48	7.87

2.55 Disclosure related to Corporate Social Responsibility (CSR) as per the Companies Act, 2013:

The company has started commercial operations from the year 2016-17 and has not generated any profits since then and even during the year; hence CSR rules are not applicable.

2.56 Information in respect of Micro and Small Enterprises as at 31st March 2023 as required by Micro, Small and Medium Enterprises Development Act, 2006:

Particulars	(Rs. In Lacs)	
	Year ended on 2022-23	Year ended on 2021-22
a) Amount remaining unpaid to any supplier:	Nil	Nil
Principal amount	Nil	Nil
Interest due thereon	Nil	Nil
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.	Nil	Nil
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	Nil	Nil

d) Amount of interest accrued and remaining unpaid	Nil	Nil
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.	Nil	Nil

2.57 Opening balances/corresponding figures for previous year/period has been re-grouped /re-arranged, wherever required.

2.58 Status of pending Income Tax cases:

- From F.Y. 2007-08 till F.Y. 2014-15, the cases are pending before Hon'ble High Court of H.P., for full Tax exemption u/s 260A of Income Tax Act, 1961.
- For the FY 2015-16, an amount of Rs. 11,05,28,339/- has been deposited as Advance tax (including TDS & TCS) and Rs. 29,25,700/- as statutory deposit @20% against total demand raised by the AO Shimla circle for Rs. 1,46,28,230/- and the corporation have preferred to file an Appeal before CIT (Appeal) camp at Solan, against the demand raised by the Assessing Officer. The Appeal is yet to be decided by the CIT (Appeal).
- For the FY 2016-17, an amount of Rs. 6,55,52,279/- (Rs. 6,06,67,400+ Rs. 48,84,879) has been deposited as Advance tax (including TDS & TCS). The assessment proceeding is completed and a partial refund of Rs. 4,61,89,669/- is received along with interest of Rs. 79,14,291/-. The appeal is pending before CIT (Appeal) for full Income Tax relief.
- For the FY 2017-18, an amount of Rs. 7,62,66,645/- (Rs. 6,46,89,324 + Rs. 1,15,77,321) has been deposited as Advance tax (including TDS and TCS) with Income Tax authorities. The assessment proceeding is completed and a Refund of Rs. 7,62,66,645/- is received along with interest. An appeal is pending with CIT Appeal against the penalty imposed u/s 271 (1) (c).
- For the FY 2018-19, an amount of Rs. 1,71,74,779/-, (Rs. 62,96,381+ Rs. 1,08,74,148) has been deposited as Advance tax, TDS & TCS. Assessment proceedings by AO has been completed and a refund of Rs. 1,79,47,641/- along with interest of Rs. 7,72,862/- is issued in favour of HPPCL. An appeal is filed with CIT (Appeal) against the Assessment orders passed by the A.O. vide which the carry forward expenses are not considered for the Assessment of Income of the Corporation and appeal is yet to be decided by the CIT Appeal.
- For the FY 2019-20 (AY 2020-21) Assessment Proceeding has been completed and a Refund of Rs. 32,62,495/- (TDS Rs. 32,33,524 + TCS 28,971) along with interest has been issued in favor of HPPCL and No Liability/Demand has been raised yet.
- For the FY 2020-21 (AY 2021-22) and FY 2021-22 (AY 2022-23), the Assessment proceedings are completed by the Assessing Officer and partial Refund has also issued after adjustment/Recovery against Demand of AY 2018-19 (i.e. Rs. 22,88,000 plus Interest).

2.59 The Company has in possession forest land at Sainj HEP, Shongtong HEP, Kashang HEP, Sawra Kudu HEP and Beradol SPP. The Company has accounted for the cost of the lease hold land in accordance of Govt. of H.P notification No.Rev.-D(G) 6-69/2011-II

dated 23.01.2016. However, the lease deeds with the revenue department in respect of above projects are under process.

2.60 Apportionment of expenditure of Corporate Office and DW Sundernagar:

Pre COD

The Company has apportioned the expenditure net of income of corporate office and Design Wing Sundernagar up to 31st August 2016 since incorporation of the company in the following proportions :-

- 15% of the total expenditure to Renukaji project.
- Rest is apportioned to the remaining projects on the basis of ratio of the capital expenditure incurred on various projects up to 31st August 2016.

Post COD

(i) Expenditure :

The Company has apportioned the expenditure of corporate office and Sundernagar (Design Wing) from 01 September 2016 to 31st March 2023 in the following proportions:-

- 15% of the total expenditure to Renukaji project
- In case of Commissioned projects the apportionment has been done in the ratio of Sales (Gross Generation-13% free power) to Capital outlay
- Rest is apportioned to the projects which are under construction stage/ Investigation Stage on the basis of ratio of the capital expenditure incurred by these projects.

(ii) Income Portion:

The Company has apportioned the income of corporate office and Design Wing Sundernagar from 01 September 2016 to 31st March 2023 in the following proportions:-

- 15% of the total income to Renukaji project.
- Rest is apportioned to the projects which are under construction stage/ Investigation Stage on the basis of ratio of the capital expenditure incurred by these projects.

2.61 AFD during Dec, 2015 has agreed to provide Euro 80 million for construction of Chanju-III and Deothal Chanju HEP. Credit Facility agreement between GoI and AFD was signed on 04.07.2017 and **Project Agreement** among HPPCL, GoHP and AFD was signed on dated 02.02.2018. As on date, the total loan raised from AFD stands at Rs. 57.76 Lakh only.

2.62 State Government Loan for Shongtong Karcham HEP (450 MW):

Consequent upon the expiry of ADB loan and cancellation of KFW Loan, HPPCL has executed a loan agreement with Power Finance Corporation Limited on dated 06.10.2021 for a loan amounting to Rs 2207.63 crore for the balance works of STKHEP including IDC. Corporation has also availed the disbursements amounting to Rs. 181.48 crores from the said loan.

2.63 Demands by the PF Authorities:

The Regional Provident Commissioner, Shimla has raised demand for the period August 2008 to June 2011 amounting to Rs 1.89 Crore on the payment made to the contractors at various projects/units of the company. The Company has filed an appeal against the order with Central Government Industrial Tribunal Chandigarh. The Ld. Tribunal had passed the stay order in favour of HPPCL subject to the deposition of 50% of the amount assessed by the Asstt, Provident Fund Commissioner, Shimla and Rs.94,63,268/- was deposited with The Registrar, CGIT-1 Chandigarh on dated 02.11.2018. The company has shown Rs. 94,63,268/- as contingent liability. The hearing of this case is going on and next date of the hearing has been scheduled on 22.09.2023.

2.64 Commissioning of a new Project:

No new project is commissioned in the F.Y. 2022-23.

2.65 A sum of ₹ 103.24 lacs (excluding Interest) has been shown as recoverable from Directorate of Energy, Govt. of H.P in respect of Tidong- II HEP. This amount is still recoverable. In 70th meeting of BoD held on dated 03.12.2019, BoD did not agree to the proposal to consider the investment of Rs. 103.24/- lakhs in Tidong-II Hydro Power Project as doubtful debt and advised to again take up the matter with the DoE, GoHP .Being a larger issues concerning HPSEB & HPPCL(huge amount of HPSEB is stuck up with different developers), a meeting was held on 25.08.2021 under the chairmanship of worthy ACS(MPP& Power) alongwith DOE, HPPCL,HPSEBL and HIMURJA to discuss the issue with regard to reimbursement of Survey and Investigation expenditure incurred on various projects. DoE apprised that the various correspondences have been made with all Project Developers for reimbursement time to time. But no response was received from the Project Developers till date.In the meeting, it was decided that DoE and HPSEBL will come with exact total figures with interest detail and proposal for recovery of the dues and requisite notices shall be issued to all the defaulting companies/ PSUs so that the due amount could be recovered.Now, DoE, GoHP vide letter dated 24.05.2023 has been again requested to recover the total expenditure i/c 10% interest liability till May, 2023 amounting to Rs. 3,82,39,781/- (Three crore, Eighty Two Lakhs, Thirty Nine Thousand & Seven Hundred Eighty One Only) incurred by HPPCL on Survey & Investigation works of Tidong - II Hydro Electric Project (60 MW) from developer. Keeping in view that Directorate of Energy has not yet denied to refund/re-imburse the same; hence provision for doubtful debt has not been made in Books of Accounts.

2.66 Survey and Investigation of Khab Hydro Electric Project:

No Provision of Survey and Investigation expenditure is made by the Corporation in its books of accounts with respect to Khab Hydro Electric project, for which the expenditure is incurred by SJVN as the same was allotted to the SJVN earlier by Department of Energy. The Company has communicated to the DoE, GoHP vide letter dated 22.07.2017 that as PFR prepared by SJVNL is of no use to Company and fresh planning of Khab HEP has to be carried out by Company as it was observed that the Khab Dam HEP, as proposed by SJVN, encroaches the domain of both the upstream and downstream projects, already allotted to other IPPs. DoE vide letter dated 31.07.2017 allowed company to carryout fresh planning of Khab HEP, with domain elevations ranging between El. ±2538m to El. ±2325m, after considering the requirement of MoEF guidelines. Accordingly vide HPPCL letter dated 16.05.2018, informed SJVNL that the PFR of Khab HEP prepared by SJVNL encroaches the domain of other allotted projects, hence HPPCL has to prepare fresh PFR and therefore, it is not in a position to take into account the expenditure incurred by SJVNL. After receiving the above response from HPPCL, SJVNL has not raised any fresh demand of re-imbursement from HPPCL.

2.67 Grant Receivable:

Cabinet Committee of Economic Affairs (CCEA) approved funding of the water component of Renukaji Dam Project (a National Project) under PMKSY-AIBP on 15.02.2021. The Project has entered in construction stage. Hon'ble Prime Minister has laid foundation stone on 27.12.2021. A sum of Rs. 2480.38 Crore has been utilized till 31.07.2023. The amount of Rs 1876.25 Cr contributed by GoI, Govt. of NCT Delhi, Govt. of Haryana, GoHP. The fund flow for the Project from Govt. of India has started. GoI has released Rs 1037.92 Crore as Central Assistance for the project for financial year 2021-22 on dated 03.03.2022 which is further received from GoHP through DoE on dated 21.04.2022 amounting to Rs. 451.54 cr and on dated 10.05.2022 amounting to Rs. 586.38 cr., for the payment of enhanced compensation to land owners and for land acquisition for depositing required amount in

CAMPA account for Stage-II Forest Clearance respectively. An amount of Rs 1037.77 Cr out of Rs 1037.9246 Cr has been utilized up to 05.09.2023. CA proposed for FY 2022-23 has not been released by GoI due to pending compliances related to SNA & PFMS system. The Proposal for Central Assistance for FY 2023-24 for Rs 828.9 Cr as Central grant has been submitted to CWC on 29-08-2023.

In case of Gyspa HEP, Company has shown Rs 7.65 crore as grant receivable from Central Water Commission, Government of India. The Central Water Commission has sanctioned Rs 12.50 crore to the company for field survey and investigation and preparation of Detailed Project report of the Gyspa HEP (300MW). The Central Water Commission has released Rs 5.00 crore to the company for the above work on 31 March 2012; with the condition that next installment will be paid on the submission of the DPR of the project. The work for conducting the investigation /preparation of DPR was allotted and the same was started by the consultant. But could not be completed due to sustained opposition and hindrance by local people. The Company has incurred expenditure in excess of the amount released by the authorities and the same has been shown as grant receivable from the Central Water Commission. HPPCL vide letter dated 16.08.2021 submitted that the detailed geological investigation desired by CWC shall be carried out after approval of ToR from MoEF&CC and hence requested to convey the prima-facie acceptance of location of the dam so that case for approval of ToR can be processed. CWC vide letter dated 03.09.2021 reiterated that it is essential to examine the layout of spillway and proposed sediment management measures to examine the suitability of Dam location. To solve the above issue a meeting was held under the chairmanship of Member (WP&P), CWC on 04.01.2022 wherein it was informed that BoD of HPPCL has decided that the matter for construction of Gyspa Dam shall be taken up with GoHP/Directorate of Energy (DoE) to allot this project to some other CPSU and HPPCL has communicated the same to DoE. However, CWC desired that till the time project is allotted to some other organization, HPPCL may work on the project and reply to observations may be submitted for approval at the earliest.

Now the tender for carrying out the topographical survey at project site has been floated. The detailed layout of the project including various components, position of spillway, intake & other concerned structures will be marked on the survey and a conceptual layout plan of the project will be submitted to CWC for approval. The technical and financial bids have been opened on dated 17.08.2022 and 28.09.2022 respectively. The work has been awarded to L1 bidder on dated 18.04.2023.

2.68 The Company is in possession of Land and Buildings at Sarabai, Thalot and Largi of HPSEB Ltd. (Erstwhile HPSEB Board) at Sainj HEP. The Joint Committee constituted by both Companies has assessed the value of the said properties at Rs.45.99 Crores in the Meeting held in the month of August 2012. Now, the said properties have been transferred in name of HPPCL, in the revenue records. But due to pending approval of higher authorities and financial constraints, the said payment could not be released to the HPSEBL. Now, HPPCL has requested to HPSEBL for conveying its acceptance for payment in the shape of Equity Share Capital for the amount involved so that long pending para could be settled. Hence, no provision in the Books of Accounts has been made so far. The same shall be accounted for only after taking approval from BoD.

2.69 Local Area Development Fund: Provision of amount payable to LADA fund (as booked in the books of accounts) on account of increase in cost of the Projects on its commissioning, has been made, however determination of final revised cost of these projects is under process.

2.70 No provision of income tax has been made by the company, as the company has brought forward losses and unabsorbed depreciation under income tax Act and during the year also, the company has incurred losses.

2.71 Amount recoverable from contractors includes a sum of Rs.129.92 crores recoverable from Coastal Projects on account of works being executed on their risk and cost awarded to M/s HCC Limited. The Lender Banks of the Contractor had filed liquidation proceedings with Ld. NCLT and the company had filed claim of Rs.405.67 crores against the contractor. Provision for doubtful amount for recovery has been made for Rs.129.92 Crores in the Books of Accounts as on 31.3.2022, keeping in view the bleak realization of such recoverable amount. The matter has been disposed of by the Ld. NCLT Cuttack Bench on 18.04.2023 by dismissing the Application/Claim of HPPCL. However, on such dismissal, the HPPCL has filed the appeal against the order of NCLT before the Ld. NCLAT (National Company Law Appellate Tribunal) at Delhi on 30.05.2023 with the filing No. 9910133/04372/2023. The case was listed on dated 01.08.2023 and Hon'ble Chairman NCLAT Bench has issued notice to the respondents with the directions to file reply within 4 weeks and rejoinder thereafter in two weeks. The matter is further listed on 21.09.2023.

2.72 Status of the Nakthan HEP: Nakthan HEP (460MW) was allotted to the HPPCL by the Government of Himachal Pradesh on 22 September 2009 as a Run-of-the- River project on Tosh Nala / Parbati River. The Detailed Project Report (DPR) of Nakthan HEP (460 MW) in Distt. Kullu is in advanced stages of appraisal in Central Electricity Authority (CEA)/ Central Water Commission (CWC. Clearances/approval for 8 aspects/chapters of DPR has been obtained from CWC/CEA out of total 9 aspects/chapters under Level-I stage. Defense clearance is also in Place. Project was taken up for appraisal by EAC earlier in 2015 and 2016. In the 91st meeting of EAC held in February 2016, Environment clearance was withheld due to pending court case with M/s Sai Engineering in Hon'ble High Court of HP. In pursuance of Forest Clearance, Forest rights for Nakthan ward have been settled for Tosh ward were submitted. The matter regarding FRA certificates is pending for final decision by Deputy Commissioner. Efforts are going on Government level for amicable out of court settlement. However, no amicable settlement could be reached, as IPP is adamant on his assertion of exclusive use of Tosh water. Accordingly, matter was apprised to Govt of HP. Subsequently, HPPCL has also filed an intervention petition in Hon'ble High Court of HP.

CEA was requested on 31.12.2018 to suspend the monitoring of DPR for such time, the GoHP will finalize revised scheme. Further investigations were also stopped till appropriate decision in the matter. Further, the work of "Consultancy services for preparation of FSR & DPR" has been terminated. Consultant has revised the cost estimate volume at March 2021 price level. Total completed cost (including escalation, IDC and Financial charges) with 1% local area Development cost is Rs. 5149.14 crore.

For amicable out of Court settlement, the issue of development of Standalone Hydro Electric Scheme on river Parvati and Tosh Nallah is under consideration of GoHP. Accordingly, the domain of projects is to be intimated by DoE for further progress in the matter.

As per the order of Hon'ble Apex court dated 03.06.2022 in IA no. 1000 of 2023(as intimated by Forest Deptt.), the present domain of the project will fall inside the ESZ of the Great Himalayan National Park Conservation Area. Position regarding possibility of development of the project with due permission of Wild life Board is being clarified from Forest Deptt/ Wild life Board. If such development is not admissible at all and wild life Board cannot give such permission , then project domain will be required to be revised.

2.73 Power sale arrangements:

IKHEP:

The PPA i.r.o sale of power from Kashang HEP was signed on dt.20.10.2016 valid from synchronization of 1st unit of Kashang HEP till 31.03.2017 @ Rs.2.92/unit. Further, a MoM was signed on dt.19.05.2017 valid from 01.04.2017 to 31.03.2018 @ Rs. 2.20/Unit (as an extension to PPA dt. 20.10.2016 with HPSEBL). Furthermore, a MoM dt. 19.03.2018 was signed valid from 01.04.2018 to 06.05.2018 @ Rs. 2.20/Unit (as an extension to PPA dt. 20.10.2016 with HPSEBL). Thereafter, Agreement was signed on

dt. 02.05.2018 b/w HPPCL & PTC LTD for sale of Power at IEX, valid from 07.05.2018 to 31.08.2021. Moreover, Agreement was signed on dt. 24.11.2021 for sale of Power at IEX b/w HPPCL & TPTCL valid from 01.09.2021 to 30.04.2022. Now, Short Term PPA has been signed on dt. 28.04.2022 b/w HPPCL & HPSEBL @ Rs. 3.40/unit valid from 01.05.2022 to 31.03.2023.

Sawra KudduHEP:

The Agreement was signed on dt. 04.11.2020 for sale of Power at IEX b/w HPPCL & TPTCL after 21.01.2021. Further, Agreement was signed on dt. 24.11.2021 for sale of Power at IEX b/w HPPCL & TPTCL. Now, PPA has been signed on dt. 28.04.2022 b/w HPPCL & HPSEBL @ Rs. 3.40/unit valid from 01.05.2022 to 31.03.2023.

Sainj HEP:

From COD to date 31.03.2023 power was sold in power exchange through power trader i.e. TPTCL.

On the basis of meeting held on 19.02.2022, subsequent meetings were held in the Chairmanship of the Managing Director HPPCL on 29.06.2022 and 26.07.2022. After detailed deliberations it has been agreed between both HPPCL and HPSEBL for sale/purchase of power from HPPCL Hydro Electric Projects viz-a-viz Kashang HEP Stage I (1X65 MW), Sawra Kuddu HEP (3X37 MW) and 50% generation of HPPCL share of power from Sainj HEP (2 X 50MW) for useful life of these projects at Ex-Bus on HPERC determined tariff.

A joint petition was submitted at HPERC for the approval of Power Purchase Agreements to be executed between HPPCL and HPSEBL here-to for sale of power by Himachal Pradesh Power Corporation Limited to Himachal Pradesh State Electricity Board Limited from Kashang HEP (1X65 MW), Sainj HEP (2X50 MW) and Sawra Kuddu HEP (3X37 MW). The HPERC vide its order dt. 13.02.2023 had approved these PPAs with minor amendments. The approved PPAs were signed between HPPCL and HPSEBL on dt. 29.03.2023 and has come into force from 01.04.2023 and shall remain operative till the useful life of the project. The power of Sawra Kuddu, Kashang & Sainj HEPs is being supplied to HPSEBL as per the Long Term PPA and balance 50% power of Sainj HEP is being sold through IEX. 50% generation of HPPCL share of power from Sainj HEP has been committed to World bank for their mission regarding "INDIA: Himachal Pradesh Power Sector Development Program (P176032)" as the pilot project (i.e Bundled power project for RTC power) that's why, only 50% generation of HPPCL share of power from Sainj HEP (2 X 50MW) has been tied up with HPSEBL. Further the tariff petitions for approval of capital cost along with additional capitalization and determination of tariff i.r.o Sainj, Sawra Kuddu & Kashang HEPs has been filed with HPERC during the month of June 2023 respectively.

PPA details Berradol SPP:

PPA from COD till 25 years with HPSEBL.

2.74 HPPCL has requested the State Government to restructure the loan liabilities of the corporation. As on date, the said proposal is under active consideration at the Finance Department of the State Government. Parallely, a proposal for deferment of loan dues towards the State Govt. has also been sent to GoHP.

2.75 Renukaji Dam, a Project of "National Importance" has been conceived as a storage project on Giri River in Sirmaur district of Himachal Pradesh. Live Storage will be 0.498 billion cubic meters (BCM). 23 cumecs of drinking water will be supplied to Delhi and 200 Million Units of electricity will be generated in 90% dependable year, which will be utilized by Himachal Pradesh. Project envisages construction of a 148m high rock fill dam and a surface power house with installed capacity of 40MW on right bank of the river. Interstate

Agreement amongst Govt. of India and the beneficiary states of Upper Yamuna Basin was signed on 11.01.2019. In February 2019 updated cost at October 2018 price level has been finalized at Rs 6946.99 Cr. This cost was earlier approved as Rs 4596.76 Cr at March 2015 price level. Cost apportionment has been finalized with cost of water and power component as Rs. 6647.46 Cr and Rs.299.53 Cr respectively.

For Water component Gol will bear an expenditure of Rs. 5689.83 Cr and Rs. 957.633 Cr shall be borne by the beneficiary states including Himachal Pradesh. Govt. of NCT of Delhi has agreed to fund 90 % cost of the power component also, in MoWR meeting dated 12.09.2018 held in New Delhi. Technical Advisory Committee (TAC) of MoJS accepted this proposal in its meeting held on 09-12-2019. Investment Clearance has been accorded by MoJS in the meeting dated 07-08-2020. Expenditure Finance Committee has approved the project on 6 August 2021.

Cabinet Committee of Economic Affairs (CCEA) has granted its approval for the funding of the Project under Pradhan Mantri Kisan Sinchayi Yojana- Accelerated Irrigation Benefit Program (PMKSY-AIBP) on 15-12-2021. Hon'ble Prime Minister of India has laid the Foundation Stone of the Project on 27-12-2021.

Status of Preparatory works - Project Roads, building works etc.

The estimates are ready for the roads to the component of the project. Deposit work for preparation of DPRs for construction of three alternate road widening/ improvement of existing roads has been awarded to HPPWD. HPPWD has prepared two DPRs and will submit these DPRs shortly, while one DPR is being prepared. Once the Forest Stage-II Clearance is accorded to the Project, the land will be handed over to HPPCL. Thereafter, construction activities, i.e. construction of approach roads to the project components, will commence.

Central Water Commission (CWC) has been hired as Design Consultant on nomination basis for carrying out the activities i.e. review of DPR, Detailed design and Engineering and Preparation of Tender stage Design and Drawings on 01-07-2022. CWC carried review of DPR and intended to affect some changes in the design to ensure that the reservoir capacity is maintained for whole of its service life and not encroached by siltation caused by heavy erosion in catchment area. Panel of geological experts (PoGE) was formed for appraisal of geology for finalising the dam type and design. As suggested by CWC to Form Panel of Standing Expert with experts from other disciplines beside geology, EX-CWC Chairman Sh. Ranjan Kr. Sinha has been appointed as standing Expert from Engineering side, making addition to PoGE to form Panel of Standing Expert. Some investigations have been carried out as suggested by PoGE. A meeting to review progress of investigations was held on dated 18-08-2023 in which PoGE informed that on the basis of the findings of the explorations carried out so far the geological conditions are not suitable for a concrete gravity dam and now CW has decided to go for a Rock-fill cum Earth dam. For the Project Management Consultant (PMC) online proposals/bid were invited through Open-tendering on National Competitive Bidding (NCB) route. PMC will be onboard by 15 October 2023. Work on preparation of mining plan is underway. Construction of Project roads will be started in February 2024 and Diversion arrangement works are expected to start by 15 June 2024.

2.76 Advances given to HPSEB Ltd., HPPTCL, I&PH, HPPWD, etc. against works to be executed on deposit work basis, could not be settled/capitalized, due to pending utilization Certificates to be received from these Depts. /Corporations.

2.77 Disclosure of Major Changes in existing Contracts/Agreements during the period:

- ❖ Appointing M/s AFRY as Design Consultant/ subcontractor of M/s PEL for carrying out Design and analysis for overall Diversion Barrage component of contract in respect of Shongtong Karchham HEP.
- ❖ Amicable Settlement Agreement No. 1 i.e. amicable settlement of disputes between M/s PEL and HPPCL executed on 05.04.2023.
- ❖ Change Order/ Variation Order No. 11 w.r.t. additional work/ extra effort carried out by M/s PEL for construction of niches in Power House and Transformer cavern.
- ❖ Supplementary Agreement No. 12 executed between HPPCL and M/s PEL on 23.07.2022 regarding release of retention money.
- ❖ Supplementary Agreement No. 13 executed between HPPCL and M/s PEL on 20.12.2022 regarding recovery of mobilization advance from IPC(s) of milestone payments.

2.78 The Enforcement Directorate vide Provisional Attachment Order 03/2017 dated 29/12/2017 (F No ECIR/ 02/54520/2014/07/7537) dated 29/12/2017, has attached the assets of the Himachal Emta Private Limited (a Joint Venture Company), amounting to ₹ 2.59 crores. At present, the case is pending in the Hon'ble Supreme Court of India.

2.79 As per Hydro Generation Tariff Regulation 20, on Depreciation (given in the Appendix of Depreciation Schedule), of HPERC Notification No. HPERC/Gen/479 dated 1st April, 2011, investment in land, cost of clearing the site and land for reservoir in case of Hydro Generation Station of Land under lease is to be capitalized and depreciated @3.34%. Land under full ownership is not required to be depreciated. In case of this Corporation, Reservoir/ Dam, is being constructed in RenukaJi HEP only and the land so far acquired is under the full ownership of the Corporation, hence the depreciation is not applicable on it.

2.80 To finance the working capital requirements, Corporation is availing the cash credit limits of Rs. 200.00 Crore, each from KCC Bank Ltd and H.P State Cooperative Bank Limited, The Mall, Shimla against the State Govt. Guarantee. As on 29.08.2023, total limit exhausted /utilized against CCLs stands at Rs 120.82 lakhs and Rs. 14749.93 lakhs respectively. In case of H.P State Cooperative Bank Limited, escrow arrangement w.r.t. revenue receipts of Kashang Stage-I HEP has been made and charge over current assets of corporation equivalent to limit amount has been created. In respect of KCC Bank Ltd, the charge over assets of Kashang Stage-I equivalent to limit amount has been created.

2.81 Surrender of Unviable/Idle Projects allotted to HPPCL:

Corporation has submitted a proposal to the GoHP to surrender the under mentioned Unviable/Idle Projects allotted to HPPCL i.e. Chirgaon-Majhgaon HEP (52 MW), Dhamwari Sunda HEP (70 MW), Lujai HEP (45 MW), Chiroti Saichu HEP (26MW), Saichu HEP (58 MW) and Saichu Sach Khas HEP (117 MW). Approval of GoHP is awaited.

2.82 Change in accounting policies -Applicability of IND AS 20- Accounting for Government Grants and Disclosure of Government Assistance

Non-monetary government grants

As per para 23 of IND AS 20

A government grant may take the form of a transfer of a non-monetary asset, such as land or other resources, for the use of the entity. In these circumstances the fair value of the non-monetary asset is assessed and both grant and asset are accounted for at that fair value.

Further para 23, substituted vide Notification No. G.S.R. 903(E) dated 20th September 2018.

A Government grant may take the form of a transfer of a non-monetary asset, such as land or other resources, for the use of the entity. In these circumstances, it is usual to assess the fair value of the non-monetary asset and to account for both grant and asset at that fair value. An alternative course that is sometimes followed is to record both assets and grant at a nominal amount.

HPPCL has received forest land from state government at the concessional rate in the following units stated below:

- Sawara kuddu HEP
- Sainj HEP
- Kashang HEP Stage I
- Kashang HEP Stage II & III
- Shongtong Karchham HEP

In pursuance of para 23 of Ind AS 20 there are two methods available for recording of asset received at concessional rate i.e., either at nominal amount or fair value. So, Himachal Pradesh Power Corporation Limited (HPPCL) has adopted a nominal value method for accounting of land received at concessional rate.

2.83 HPPCL has assailed the Arbitration Award which was passed against the HPPCL on 31.03.2023 amounting Rs. 101.00 crore approx. by AT-III titled as HPPCL Vs M/s HCC Ltd. in respect of EPC contract for (Civil & HM Works) of Sainj HEP before the Hon'ble High Court of HP which were first listed on 30.06.2023 and has been further ordered to be listed on 11.09.2023 and the matter is still *sub judice* before the said Hon'ble Court.

HPPCL has assailed the Arbitration Award of Rs. 124.75 crores which was passed by the Arbitral Tribunal titled as HPPCL Vs M/s HCC Ltd. in respect of Contract Agreement No. Kashang/Civil-I for Civil & HM Works of Kashang HEP before the Hon'ble High Court of HP on 5th September, 2023. The matter is now *sub judice* before the said Court.

2.84 Government of Himachal Pradesh has decided to develop Himachal Pradesh as Green Energy State for which Himachal Pradesh Power Corporation Ltd. has assigned a target to harness the Solar potential in Himachal Pradesh upto 500MW.

In this regard, HPPCL has identified several land parcels in different districts of Himachal Pradesh. Accordingly, the following projects have been allotted by HIMURJA the lists of projects are as follows:-

Sr. No.	Name of Solar Power Project (SPP)	Capacity (MW)	Allotted by HIMURJA on
1	Mata Hateshwari	5	15.09.2022
2	Shivnagar	3.4	12.10.2022
3	Pekhubella	52	18.03.2023
4	Aghlor	10	17.02.2023
5	Sainj	3	16.08.2023
6	Gondpur Bulla	10	17.02.2023
7	Bella Ludhiancha	12	06.06.2023
8	Laam	36	17.02.2023
9	Santogarh Swan	5.5	18.03.2023
10	Bhanjal & Khad	5	06.06.2023
11	Kolar	28	06.06.2023
12	Ropa	10	06.06.2023
13	Dalyaoo	6	06.06.2023
14	Saned	16	06.06.2023

15	Bela	11.5	06.06.2023
16	Kaloor	5	06.06.2023
17	Lamlehdi Uperli	15	18.03.2023
18	Lamlehdi Nichli	8	17.02.2023
19	Tihra Khas	22	17.02.2023
20	Kayarian	11.5	18.03.2023
21	Tanda Uperla	56	16.08.2023.
22	Kopda-I	33	06.06.2023
23	Kopda_II	16	06.06.2023
24	Hadal	27	06.06.2023
25	Dol Nadoli	19	16.08.2023
26	Ghangar	53	16.08.2023.
27	Dabhota	19.5	06.06.2023
28	Kirpalpur	6.5	06.06.2023
29	Bhangla	15	06.06.2023
30	Plasi Kalan	16	06.06.2023
31	Bada Basot	18	06.06.2023
32	Jhida	5	06.06.2023
33	Mazra	22	06.06.2023
34	Dabhota Majra	8.5	06.06.2023
35	Kohlari	17	16.08.2023.

- **2.85** HPPCL is in process of identifying suitable locations for setting up of aggregate 200MW of Solar capacity by March 2024. Setting up of 150 MW capacity has been agreed as a Disbursement Linked Indicator under the Himachal Pradesh Power Sector Development Program (HPPSDP) being funded by the World Bank although total capacity of 200 MW will qualify under the program boundary for expenditure under the sub head. So, on progressive achievement of the above target, alongwith some other indicators funds to the tune of net 112.5 M USD shall flow to the HPPCL. The appraisal had got completed in October 2022 and invitation to negotiations and negotiations package containing draft Program Appraisal Document, draft Loan agreement, draft Program Agreement and draft Disbursement and Financial Information letter was received vide Bank's letter dated 31.10.2022. The loan negotiations meeting was held on May 27,2023 and negotiations have been concluded successfully. Further, the program has received approval of Executive Board of Directors of the World Bank on 27.06.2023.
- A meeting to deliberate future course of actions under the World bank funded Himachal Pradesh Power Sector Development Program (HPPSDP) was held among all power sector utilities under the chairmanship of Chief Engineer (Energy), GoHP on dated 13.07.2023 and subsequently under the chairmanship of Director(Energy)-cum-MD HPPCL- MD HPSEBL on 24.07.2023. The following actions to be completed prior to loan signing as per the readiness criteria for Loan Signing were discussed:
- 30 % of civil works to be executed under the program should be awarded
 - Prior actions part of Disbursement linked indicators agreed under the program should be achieved.
- In respect of point (i) above, Rs 675 crore of civil works have been estimated under the program and accordingly 30 % of of civil works to be awarded are estimated to be around Rs. 202.5 crore. HPPCL has been able to achieve the 30% criteria after award of

Solar Power Project (32MW) on 19.05.2023 to M/s Prozeal Infra Engineering Pvt Ltd., Gujarat for Rs. 220.24 crore.

- In respect of point (ii) above, HPPCL is to achieve in total three prior actions of which one stand achieved regarding commitment of hydro project for bundling. HPPCL is in process of achieving other two prior actions regarding approval of Scope of Work for new CEIA study of Beas Basin and uniform ESPP and shall be completed soon.
- Regarding 200 MW of Solar Power Projects proposed under the program, works for the Pekhubella Solar Power Project (32MW) have awarded on 19.05.2023 to M/s Prozeal Green Energy Pvt Ltd., Gujarat.
- Tenders for 10MW of projects have been opened and are being negotiated. NITs have been floated for 27 MW of projects. Further about 65.5 MW of projects are in advanced stage of DPR and NoC. w CEIA study of Beas Basin and uniform ESPP and shall be completed soon.

2.86 Status regarding CBI Court Case related to M/s Himachal EMTA Power Limited (HEPL):

On reference of Central Vigilance Commission, CBI registered the case on 07.08.2014 and CBI court passed its judgment on 31.08.2022, wherein all the accused i.e. M/s Himachal EMTA Power Ltd. (A-1), its two directors: Ujjal Kumar Upadhaya (A-2) and Bikash Mukherjee (A-3), and its CGM (Power): N.C. Chakraborty (A-4) were held guilty and convicted for the offence u/s 120-B IPC and 120-B r/w 420 IPC. All the above accuseds were also held guilty and convicted for the substantive offence u/s 420 IPC. Subsequently, orders dated 07.09.2022 on sentence were passed by the Hon'ble court wherein out of total four (4) convicts, M/s HEPL was fined with Rs.10,00,000/- under 120-B/420 IPC and Rs.10,00,000/- under 420 IPC, whereas, other three convicts were sentenced for three years of imprisonment with fine of Rs. 4 lakhs each. In view of aforesaid judgment and subsequent court orders, HPPCL sought opinion of Panel Advocate, Sh. Aaditya Vijay Kumar, engaged by GoHP vide letter dated 29.01.2021, with respect to safeguarding the interest of GoHP/ HPPCL and its officers (who are on the Board of M/s HEPL). In response, Ld. Counsel opined that *"No steps have to be taken presently to safeguard the interests of the GoHP and/ or HPPCL and its officers. The entire judgment does not refer to the role of GoHP/ HPPCL and its officers. Infact, it only discloses the manner in which the Accused misrepresented and cheated the Government of India. In this background, it would only be advisable to keep a watch on the appeals which are filed and observe such proceedings, as and when the appeals are filed."*

Subsequently, Legal Cell of HPPCL opined that the Managing Director, M/s HEPL, may be requested to deposit the fine imposed on Accused No. 1 i.e. M/s HEPL and to assail the order of the CBI Court by way of filing appeal before the concerned High Court. Accordingly, Managing Director, M/s HEPL, was requested vide letter dated 13.09.2022, in response of which M/s HEPL vide letter dated 17.09.2022 intimated that *"...we need to pay a total amount of Rs. 32 Lakhs for the Company itself, its' two Directors and Ex-CGM (Power) and fund be provided by the partners of the Joint Venture, EMTA and HPPCL in the ration of 50:50 basis."* Further, it was intimated by M/s HEPL that they have made the payment regarding the aforesaid amount of Rs. 32 Lakhs and requested HPPCL to remit its share of Rs. 16 Lakhs in favour of EMTA Coal Limited. The matter was examined by the Legal Cell of HPPCL, who opined the following regarding liability of HPPCL for paying the fine imposed on M/s HEPL and other three accused from EMTA side,:-

"Article 18 of Memorandum of Understanding (MOU) deals with indemnification by EMTA, it reads as under:-

"If the transactions contemplated by this MoU are consummated, EMTA agrees, without prejudice to other rights of the HPPCL and the Company, to indemnify and hold harmless the Government of Himachal Pradesh, HPPCL and the Company against and in respect of any loss, damage, claim, action, suit, proceeding, deficiency or expense relating to, arising from, or in connection with any misrepresentation, breach of any representation, warranty, obligation, covenant or agreement or default on the part of EMTA in or under this MoU or any completion documents delivered by EMTA in connection herewith."

In view of above it is very much clear that EMTA is liable to indemnify the GoHP/HPPCL w.r.t. any loss, claim, damage, action, suit, proceeding etc. as per article 18 of MoU. Hence in the present matter, the HPPCL is not liable to pay the amount of fine which has been imposed by the CBI Court at Delhi on the EMTA Company."

Further, as per order dated 18.10.2022 of Hon'ble High Court of Delhi, the fine imposed on M/s HEPL stands deposited and the appeal filed by M/s HEPL is admitted for hearing, which is to be listed with other connected matters in 'Regular List'.

2.87 Disclosure: HPPCL has made an investment of Rs. 337.5 Lacs in the equity of Himachal EMTA Power Limited (HEPL), which is a Joint Venture (JV) with EMTA Limited for setting up (2*250 MW) Thermal Power Plant at Raniganj, West Bengal. The company has 50% equity participation in HEPL. The objective of JV is coal block for ensuring the uninterrupted fuel supplies thereto. However, Hon'ble Supreme Court of India has cancelled all allotment of coal block and termed all captive coal block allocation since 1993 as illegal. The JV Company of Himachal EMTA has filed a claim to the Ministry of Coal for expenditure incurred on the project and has not received the claim for the Ministry of Coal as yet. Therefore, the Provision for Doubtful Investment has been made in the books of accounts in the F.Y. 2016-17.

2.88 Govt. of Himachal Pradesh has imposed Water cess on Hydropower generation and the provisions of the Himachal Pradesh Water Cess on Hydropower Generation Act, 2023 have been made applicable w.e.f. 10.03.2023. Sainj HEP, Kashang Stage-I HEP and Sawrakuddu HEP have also registered with the Commission. As per GoHP, Jal Shakti Vibhag New Notification no. JSV-B(A)3-1/2022-1 dated 26.08.2023, the rates of the water cess on Hydro-power Generation projects in the State of HP for use of water for Hydro-power Generation have been fixed. But the same has not been accounted for in books of accounts of FY 2022-23.

2.89 The forest land having area 6.46 hact. for the construction of BerraDol 5 MW Solar Power Project has been transferred in the name of MPP& Power Deptt. by the DC Bilaspur. Matter has been taken up with Tehsildar Swarghat to make necessary entries in the revenue record. The process of entries in revenue record is under progress. Thereafter, revenue papers of said land shall be collected from concerned Patwari & shall be forwarded to LAO for further lease in the name of HPPCL.

With respect to additional forest land, initially the matter was taken up with DC Bilaspur on dated 14.12.2018 for diversion of said land. DC Bilaspur desired to submit the State order on dated 29.05.2019, for which matter was taken up with Conservator of Forest, Bilaspur on dated 14.06.2019. & with DFO Bilaspur on dated 06.08.2019. & with Nodal Officer-Cum-CCF (FCA), O/o Pr. CCF. HP (HoFF), Shimla-01, (H.P.) on dated 12.09.2019, 09.10.2019.

After series of correspondence, all the documents as desired by the Nodal officer APCCF(FCA) O/o Pr.CCF HP Shimla vide letter dated 28.11.2019 stands again submitted to his office vide this office letter no. 1674-79 dated 11.12.19. After that reminders were issued on dated 14.02.2020 & 03.07.2020, but state order is yet to be issued.


After issuance of state order, DC Bilaspur shall issue the necessary order regarding transfer of said land to MPP& Power Deptt. After that matter shall be pursued with Tehsildar,

Swarghat for making necessary entries in revenue record and thereafter, the revenue papers of said land shall be collected from concerned Patwari & shall be forwarded to LAO for further lease in the name of HPPCL.

For and on behalf of Board of Directors


(B. L. Verma)
AGM (Finance)


(Sudershan K Sharma)
Cosultant Company Secretary)


(Shivani Pratap Singh)
Director (Finance)
DIN No.10243812


(Harikesh Meena)
Managing Director
DIN No.09333558

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

**(CA Suresh Chand Soni)
Partner
M No 083106
Place: Shimla
Date:**