

Himachal Pradesh Power Corporation Limited
Standalone Balance Sheet as at 31st March, 2022


(Rs. in Lakhs)


Particulars		Note No.	As at March 31, 2022	As at March 31, 2021	As at April 1, 2020
1	2	3	4	5	
ASSETS					
(1) Non - Current Assets					
(a) Property, Plant and Equipment	2.1	5,56,612	5,30,885	3,02,613	
(b) Capital Work-in-progress	2.2	2,20,497	1,92,904	3,29,527	
(c) Investment Property	2.3	27	28	30	
(d) Goodwill		-	-	-	
(e) Other Intangible Assets	2.4	16	21	8	
(f) Intangible assets under development		-	-	-	
(g) Biological Assets other than bearer plants		-	-	-	
(h) Financial Assets:					
(i) Investments	2.5	-	-	-	
(ii) Trade receivables					
(iii) Loans	2.6	89	148	143	
(i) Deferred tax assets (net)					
(j) Other Non-current Assets	2.9	99,548	55,464	26,964	
(2) Current Assets					
(a) Inventories	2.10	874	843	553	
(b) Financial Assets					
(i) Investments					
(ii) Trade Receivables	2.11	509	486	102	
(iii) Cash and cash equivalents	2.12	1,609	1,157	5,618	
(iv) Bank Balance other than above	2.13	3,320	2,284	2,348	
(v) Loans	2.14	63	7	14	
(vi) Others	2.15	19,577	19,113	18,213	
(c) Other Current Assets	2.16	26,606	16,207	14,787	
Total Assets		9,29,347	8,19,546	7,00,919	
EQUITY AND LIABILITIES					
Equity					
(a) Equity Share Capital	2.17	2,25,103	2,18,771	2,18,056	
(b) Other Equity		(68,557)	(57,698)	(36,895)	
Liabilities					
(1) Non- current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	2.18	64,379	1,17,109	2,55,505	
(iia) Lease Liabilities	2.19	683	49	138	
(ii) Trade Payables					
(A) total outstanding dues of micro enterprises and small enterprises; and					
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.					
(iii) Other Financial Liabilities	2.20	4,384	12,588	1,57,698	
(b) Provisions	2.21	6,695	5,600	3,919	
(c) Deferred tax liabilities (Net)	2.22	-	-	-	
(d) Other Non- Current Liabilities	2.23	1,71,781	1,24,152	77,073	
(2) Current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	2.24	2,08,077	1,52,273	10,577	
(iia) Lease Liabilities	2.25	167	111	192	
(ii) Trade Payables	2.26	-	-	-	
(A) total outstanding dues of micro enterprises and small enterprises; and					
(B) total outstanding dues of creditors other than micro enterprises and small enterprises.					
(iii) Other Financial Liabilities	2.27	3,16,635	2,46,496	14,656	
(b) Other Current Liabilities					
(c) Provisions	2.28	-	95	-	
(d) Current Tax Liabilities (Net)					
Inter unit transfer					
Zero Balance Clr					
Total Equity and Liabilities		9,29,347	8,19,546	7,00,919	

See accompanying notes to the financial statements

Note: The figures for the year ended 31st March 2021 and 1st April 2020 as given above are restated

For and on behalf of the Board of Directors


 (BL Verma)
 A.G.M (Finance)


 (Sudershan K Sharma)
 Consultant (Company Secretary)


 (Dr. Amit Kumar Sharma)
 Director (Finance)
 DIN No. 10071204


 (Harikesh Meena)
 Managing Director
 DIN No. 09333558

Chartered Accountants
 Firm Regn.No.008770N

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

Himachal Pradesh Power Corporation Limited
Statement of Profit and Loss for the period ended 31st March, 2022

		(Rupees in Lakhs)	
		For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
	Particulars		
I	Revenue from Operations	2.29	40,056
II	Other Income	2.30	114
III	Total Income (I+II)	40,170	12,698
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	2.31	2,998
	Finance Costs	2.32	20,278
	Depreciation and Amortization Expense	2.33	20,589
	Other Expenses	2.34	7,269
	Total Expenses (IV)	51,133	31,501
V	Profit/(loss) before exceptional items and tax (I-IV)	(10,963)	(18,804)
VI	Exceptional Items	-	-
VII	Profit/ (loss) before exceptions items and tax(V-VI)	(10,963)	(18,804)
VIII	Tax expense:		
	(1) Current tax	-	-
	(2) Deferred tax	-	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)	(10,963)	(18,804)
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)	(10,963)	(18,804)
XIV	Other comprehensive income		
	A. (i) Items that will not be reclassified to profit or loss	2.35	(171)
	(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)	-	-
	(Comprising Profit (Loss) and Other comprehensive Income for the period)	(11,134)	(20,073)
XV	Earnings per equity share (for continuing operation):		
	(1) Basic	2.36	(50.17)
	(2) Diluted		(91.90)
XVII	Earnings per equity share (for discontinued operation):		
	(1) Basic		
	(2) Diluted		
XVIII	Earnings per equity share (for discontinued & continuing operation):		
	(1) Basic	2.36	(50.17)
	(2) Diluted		(91.90)

see accompanying notes to the financial statements

For and on behalf of the Board of Directors


(BL Verma)
A.G.M (Finance)


(Sudershan K Sharma)
Consultant (Company Secretary)


(Dr. Amit Kumar Sharma)
Director (Finance)
DIN No. 10071204


(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, 2022

		(Rs. in Lakhs)
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Cash flow from operating activities		
Profit before tax (A)	(11,134)	(20,073)
change in other equity as per restated balancesheet (B)		(2,491)
Adjustment for:		
Depreciation and amortization	20,589	12,579
Finance Cost		-
Loss on disposal/write off of fixed assets	60	9
Profit on sale of fixed assets	-	-
Total Adjustment (C)	20,648	12,589
Adjustment for assets and liabilities		
Inventories	(32)	(290)
Trade receivable and unbilled revenue	(22)	(384)
Loans, other financial assets and other assets	(11,954)	(2,244)
Other financial liabilities and other liabilities	70,683	91,965
Other Current liabilities	-	-
Provisions	1,000	1,776
Total Adjustment (D)	59,675	90,824
Cash generated from operating activities (E)=(A+B+C+D)	69,189	80,849
Less: Income tax paid	-	-
Net cash generated from operating activities (F)	69,189	80,849
Cash flow from investing activities:		
Net expenditure on Property, Plant & Equipment and CWIP	(73,963)	(1,04,256)
Term Deposits with Banks (having maturity more than 3 months)		-
Interest on term deposits/ Sweep Deposits	59	(5)
Investment in Subsidiary/Associate/Joint Venture		-
Other non current asset	(44,085)	(28,500)
loss of Fixed/ CWIP assets from torrential rain & flood		-
Net cash used in investing activities (G)	(1,17,989)	(1,32,761)
Cash flow from financing activities:		
Share Capital	825	715
Share money pending allotment	275	
Proceeds from borrowings	-	
Repayment of borrowings	(168)	(207)
Other Non Current Liabilities	47,629	47,079
Payment of lease liabilities	690	(137)
Interest and finance charges	-	
Net Cash used for financing activities (H)	49,252	47,451
Net increase in cash and cash equivalents (I)=(F+G+H)	452	(4,462)
Cash & Cash Equivalents at the beginning of the year	1,157	5,618
Cash & Cash Equivalents at the end of the year	1,609	1,157
Restricted cash balance		
Earmarked Balance (Unpaid Dividend)	-	-
Margin Money for BG/ Letter of Credit and Pledged deposits	3,320	2,284
Total	3,320	2,284

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


(BL Verma)
A.G.M (Finance)


(Sudershan K Sharma)
Consultant (Company Secretary)


Dr. Amit Kumar Sharma
Director (Finance)
DIN No. 10071204


(Harikesh Meena)
Managing Director
DIN No. 09333558

Chartered Accountants
Firm Regn.No.008770N

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

Himachal Pradesh Power Corporation Limited

Statement of changes in Equity

A. Equity Share Capital

(Rupees in Lakhs)

(1) 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	-	2,18,771	6,331	2,25,103

(2) For FY 2020-21					
	Balance as at 1st April, 2020	Changes in equity shares capital due to prior period errors	Restated balance as at 1st April, 2020	Changes in equity shares capital during the year	Balance as at 31st March, 2021
	2,18,056	-	2,18,056	715	2,18,771

B. Other Equity

(1) For FY 2021-22

(Rupees in Lakhs)

	Share application on money pending allotment	Equity component of compound financial instrument	Reserve & Surplus				Total
			Capital Reserve	Securities Premium	Other Reserve (Specify nature)	Retained Earning	
Balance as on 1st April, 2021	-	-	-	-	-	(56,968)	(56,968)
Changes in accounting policy or prior period errors	-	-	-	-	-	(730)	(730)
Restated balance at the beginning of the current reporting period	-	-	-	-	-	(57,698)	(57,698)
Total	-	-	-	-	-	(57,698)	(57,698)
comprehensive Income for the current year	-	-	-	-	-	(171)	(171)
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	(10,963)	(10,963)
Any other change	275	-	-	-	-	-	275
Balance as on 31st March, 2022	275	-	-	-	-	(68,832)	(68,557)

(2) For FY 2020-21

(In Rs)

	Share application on money pending allotment	Equity component of compound financial instrument	Reserve & Surplus				Total
			Capital Reserve	Securities Premium	Other Reserve (Specify nature)	Retained Earning	
Balance as on 1st April, 2020	-	-	-	-	-	(35,134)	(35,134)
Changes in accounting policy or prior period errors	-	-	-	-	-	(1,761)	(1,761)
Restated balance at the beginning of the current reporting period	-	-	-	-	-	(36,895)	(36,895)
Total	-	-	-	-	-	(36,895)	(36,895)
comprehensive Income for the current year	-	-	-	-	-	(1,269)	(1,269)
Dividends	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	(18,804)	(18,804)
Any other change	-	-	-	-	-	-	-
Balance as on 31st March, 2021	-	-	-	-	-	(56,968)	(56,968)

For and on behalf of the Board of Directors


(BL Verma)
A.G.M (Finance)


(Sudeshan K Sharma)
Consultant (Company Secretary)


(Dr. Anil Kumar Sharma)
Director (Finance)
DIN No. 10071204


(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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

1. Company Information and Significant Accounting Policies:

A. Reporting Entity

Himachal Pradesh Power Corporation Ltd. (the "Company") is a Company domiciled in India and limited by shares (CIN: U40101HP2006SGC030591). The address of the Company's Registered Office is Himfed Building, BCS, New Shimla (H.P.)-171009, India. Electricity generation is the principal business activity of the Company.

B. Significant Accounting Policies

1.1 Basis of Preparation:

These standalone financial statements are prepared on going concern basis following accrual system of accounting and in compliance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable) and the provisions of the Electricity Act, 2003, to the extent applicable.

Use of estimates and management Judgements:

The preparation of the financial statements requires management to make estimates and assumptions that may impact the application of accounting policies and the reported value of Assets, Liabilities, Income, Expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. Actual results could vary from these estimates. The estimates and management's judgements are based on previous experience and other factors considered reasonable and prudent in the circumstances. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods, if the revision affects both current and future years.

1.2 Basis of Measurement:

These financial statements have been prepared on accrual basis and under the historical cost convention except following which have been measured at fair value:

- financial assets and liabilities except certain Investments and borrowings carried at amortised cost,
- assets held for sale — measured at fair value less cost of disposal,
- defined benefit plans — plan assets measured at fair value,
- Right of Use Assets — measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Normally at initial recognition, the transaction price is the best evidence of fair value. However, when the Company determines that transaction price does not represent the fair value, it uses inter-alia valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

1.3 Functional and presentation currency: These financial statements are presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded to the nearest Lacs (upto two decimals), except as stated otherwise.

1.4 Current and non-current classification: The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current. Deferred tax assets/liabilities are classified as non-current.

1.5 Property, plant and equipment (PPE)

a) The Company has opted to utilize the option under para D7AA of Appendix D to Ind AS 101 which permits to continue to use the Indian GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of property, plant and equipment according to the Indian GAAP as at April 1, 2015 i.e. Group's date of transition to Ind AS, were maintained in transition to Ind AS.

b) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

c) PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost wherever required. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. Where final settlement of bills with contractors is pending/under dispute, capitalization is done on estimated/provisional basis subject to necessary adjustment in the year of final settlement.

d) After initial recognition, Property, Plant & Equipment is carried at cost less accumulated depreciation/ amortisation and accumulated impairment losses, if any.

e) Deposits, Payments / liabilities made provisionally towards compensation, rehabilitation and other expenses relatable to land in possession are treated as cost of land.

f) Asset created on land not belonging to the company, where the company is having control over the use and access of such asset are included under Property, Plant and Equipment.

g) Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item, if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised when no future economic benefits are expected from its use or upon disposal. The costs of the day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred. Other spares are treated as "stores & spares" forming part of the inventory and expensed when used/ consumed.

h) Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the company and the cost of the item can be measured reliably.

i) Property, plant and equipment is derecognized when no future economic benefits are expected from its use or upon its disposal. Gains and losses on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

1.6 Capital Work-in-progress

- a) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work-in-progress (CWIP). Such cost comprises of purchase price of asset including other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.
- b) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, depreciation on assets used in construction of projects, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Expenditure Attributable to Construction (EAC)" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects.
- c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential for construction of the project is carried under "Capital Work-in-progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects. Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.
- d) Expenditure on Survey and Investigation of the project is carried as Capital Work-in-progress and capitalized as cost of project on completion of construction of the project or the same is expensed in the year in which it is decided to abandon such project.
- e) Expenditure against "Deposit Works" is accounted for on the basis of statement of account received from the concerned agency and acceptance by the company. However, provision is made wherever considered necessary.
- f) Claims for price variation / exchange rate variation in case of contracts are accounted for on acceptance.
- g) The Expenditure of Corporate office and Sundernagar design office is allocated to different accounting units on systematic basis.

1.7 Investment Property

- a) Land or a building or part of building or both held by company to earn rentals or for capital appreciation or both is classified as Investment property other than for :
 - i). Use in the production or supply of goods or services or for administrative purpose; or
 - ii). Sale in the ordinary course of business.
- b) Investment property is recognised as an asset when and only when:
 - i). It is probable that the future economic benefits that are associated with the investment property will flow to the entity; and
 - ii). The cost of the investment property can be measured reliably.
- c) Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less accumulated depreciation and accumulated impairment loss, if any.
- d) Investment properties are derecognised either when they have been disposed off or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the statement of profit and loss in the period of de-recognition.
- e) Transfers to or from investment property is made when and only when there is a change in use.

1.8 Intangible Assets

- a) Intangible assets are identifiable non-monetary asset without physical substance. Intangible assets are recognised if:
 - i). It is probable that the expected future economic benefit that are attributable to the asset will flow to the entity; and
 - ii). The cost of the asset can be measured reliably
- b) Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Subsequent expenditure on already capitalized

Intangible assets is capitalised when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.

c) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any.

d) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

e) Expenditure on development activities is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to & has sufficient resources to complete development and to use or sell the asset.

f) Expenditure incurred which are eligible for capitalisation under intangible assets are carried as intangible assets under development till they are ready for their intended use.

1.9 Regulatory deferral accounts

a) Expenses / income recognized in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per HPERC Tariff Regulations are recognized as 'Regulatory deferral account balances' as per Ind AS-114.

b) Regulatory deferral account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.

1.10 Impairment of non-financial assets

a) The carrying amounts of the Company's non-financial assets primarily include property, plant and equipment, which are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of an asset's or cash-generating units (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.

b) In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fairvalue less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

c) Impairment losses recognized in earlier period are assessed at each reporting date for any indication that loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

1.11 Inventories

a) Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipment.

b) Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

c) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

d) The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for. Scrap is accounted for as and when sold.

1.12 Foreign Currency Transactions:

a) Functional and presentation currency:

Financial statements have been presented in Indian Rupees (₹), which is the Company's functional and presentation currency.

b) Transactions and balances:

i). Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date. Non-monetary items denominated in foreign currency are reported at the exchange rate prevailing at the date of transaction.

ii). Exchange differences arising on translation or settlement of monetary items are recognised in the statement of profit and loss in the year in which it arises.

1.13 Financial instruments – initial recognition, subsequent measurement and impairment

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A) Financial Assets

A financial asset includes inter-alia any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial assets or to exchange financial asset or financial liability under condition that are potentially favourable to the Company. A financial asset is recognized when and only when the Company becomes party to the contractual provisions of the instrument. Financial assets of the Company comprise cash and cash equivalents, Bank Balances, Advances to employees/ contractors, security deposit, claims recoverable etc.

Measurement:

The company measures the trade receivables at their transaction price if the trade receivables do not contain a significant financing component. A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

De-recognition:

Financial asset is derecognised when all the cash flows associated with the financial asset has been realised or such rights have expired.

B) Financial liabilities:

Financial liabilities of the Company are contractual obligation to deliver cash or another financial asset to another entity or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company. The Company's financial liabilities include loans & borrowings, trade and other payables etc.

Measurement:

a) Financial liabilities are measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset, when the liabilities are derecognised as well as through the EIR amortisation process.

b) Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

De-recognition:

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

1.14 Investment in joint ventures and associates:

a) A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the

contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

b) An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies.

c) The investment in joint ventures and associates are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost.

1.15 Leases

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company

has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019).

Lease is a contract that conveys the right to control the use of identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the company assesses whether: (i) the contract involves use of an identified assets, (ii) the customer has substantially all the economic benefits from the use of the asset through the period of the lease and (iii) the customer has the right to direct the use of the asset.

i) As a lessee

At the date of commencement of lease, the company recognizes a right-of-use asset (ROU) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for lease with a term of twelve months or less (i.e. short term leases) and leases for which the underlying asset is of low value. For these short-term and leases for which underlying asset is of low value, the company recognizes the lease payments on the straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liability includes these options when it is reasonably certain that they will be exercised.

The right-to-use assets are initially recognized at cost, which comprises the amount of initial measurement of the lease liability adjusted for any lease payments made at or before the inception date of lease along with the initial direct costs, restoration obligations and lease incentives received.

Subsequently, the right-to-use assets is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of lease liability. The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in accounting policy 1.8 on "Impairment of non- financial assets".

The lease liability is initially measured at present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

The interest cost on lease liability is expensed in the Statement of Profit and Loss, unless eligible for capitalization as per accounting policy 1.16 on "Borrowing Cost".

Lease liability and ROU assets have been separately presented in the financial statements and lease payments have been classified as financing cash flows.

ii) As a Lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Operating lease:

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. In the case of operating leases or embedded operating leases, the lease income from the operating lease is recognised in revenue on the basis of generation from such Plant. The respective leased assets are included in the balance sheet based on their nature.

1.16 Government Grants

a) Government grants with a condition to purchase, constructor otherwise acquire long-term assets are initially measured based on grant receivable under the scheme. Such grants are recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset. Amount of benefits receivable in excess of grant income accrued based on usage of the assets is accounted as Government grant received in advance. Changes in estimates are recognised prospectively over the remaining life of the assets.

b) Government revenue grants relating to costs are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate.

1.17 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction/erection or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. All other borrowing costs are expensed in the period in which they occur.

Income earned on temporary investment made out of the borrowings pending utilization for expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization.

1.18 Provisions, Contingent Liabilities and Contingent Assets

a) A provision is recognised when:

i). the Company has present legal or constructive obligation as result of past event;
ii). it is probable that an outflow of economic benefits will be required to settle the obligation;
and

iii). a reliable estimate can be made of the amount of the obligation.

b) If the effect of the time value of money is material, provision is determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

c) The amount recognised as provision is the best estimate of consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.

d) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

e) Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

f) Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future

events not wholly within the control of the company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgement of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

1.19 Revenue Recognition and Other Income:

Company's revenues arise from sale of energy and other income. Other income comprises interest from banks, employees, contractors etc., surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc. Revenue from sale of energy is accounted for at rates as per the PPA & Agreement signed between HPPC Ltd. and HPSEB Ltd./Tata Power Trading Company Ltd. (TPTCL).

1.20 Employee Benefits

Employee benefits consist of wages, salaries, benefits in kind, provident fund, pension, gratuity, post-retirement medical facilities, leave benefits and other terminal benefits etc.

a) Post-employment benefits plan:

Employee benefits obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have an impact on the resulting calculations.

a) Short-term Benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed in the period in which the service is provided.

b) Terminal Benefits

Expenses incurred on terminal benefits in the form of ex-gratia payments and notice pay on voluntary retirement schemes, if any, are charged to the profit and loss in the year of incurrence of such expenses.

1.21 Depreciation and amortization

i) Depreciation on Property, Plant & Equipment of Operating Units of the Company is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology as notified by HPERC for the fixation of tariff in accordance with Schedule-II of the Companies Act 2013, except for the assets specified below:

- a) Depreciation is charged on Straight Line method following the rate & methodology notified by the H.P State Electricity Regulatory Commission (HPERC) for the purpose of fixation of tariff as amended from time to time, **except in case of:**
- b) Mobile Phones are depreciated fully @ 25% P.A. in 4 years.
- c) Kitchen items and small office items are depreciated over the period of 3 years, keeping 10% residual value.
- d) Assets costing Rs.5000/- or less are depreciated fully in the year of procurement.
- e) Expenditure on software is recognised as "Intangible Asset" and amortised fully over three years on SLM or over a period of its legal rights to use, whichever is less.
- f) Infrastructural development construction power depreciated @5.28% SLM under the head any other assets not covered in the HPERC Schedule.
- g) Depreciation is provided on pro-rata basis from the month in which the asset becomes obsolete is provided till the end of the month in which such declaration is made.

ii) Expenditure on catchment area treatment (CAT) Plan during construction is capitalised along with Dam/Civil works. Such expenditure during O & M stage is charged to revenue in the year of incurrence of such expenditure

iii) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, change in duties or similar factors, the revised unamortised balance of such assets is depreciated prospectively over the residual life.

- iv) Depreciation on increase/decrease in the value of existing assets on account of settlement of disputes is charged retrospectively.
- v) Depreciation on assets till start of commercial production has been shown under 'Incidental Expenditure during construction' under capital work in progress.
- vi) Depreciation on addition/deduction from fixed assets during the year is charged on pro-rata basis from/up to the date, when the asset is available for use/disposal.
- (vii) Leasehold land is amortized pro-rata through depreciation over the period of lease or 40 years, whichever is lower.
- viii) Depreciation on assets till start of commercial production has been shown under 'Incidental Expenditure during construction' under capital work in progress.
- ix) Depreciation on addition/deduction from fixed assets during the year is charged on pro-rata basis from/up to the date, when the asset is available for use/disposal.
- (x) Leasehold land is amortized pro-rata through depreciation over the period of lease or 40 years, whichever is lower.
- xi) Tangible Assets created on leasehold land are depreciated to the extent of 90% of original cost over the balance available lease period of respective land from the date such asset is available for use or at the applicable depreciation rates & methodology notified by HPERC tariff regulations for such assets, whichever is higher.
- xii) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, change in duties or similar factors, the unamortized balance of such assets is depreciated prospectively over the residual life of such asset determined following the applicable accounting policies relating to depreciation/amortization.
- xiii) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.
- xiv) Spare parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by the HPERC.
- xv) Temporary erections are depreciated fully (100%) in the year of acquisition /capitalization.
- xvi) Expenditure on software recognized as 'Intangible Asset' and is amortized fully on straight line method over a period of legal right to use or three years, whichever is less. Other intangible assets with a finite useful life are amortized on a systematic basis over its useful life. The amortisation period and the amortisation method of intangible assets with a finite useful life is reviewed at each financial year end.
- xvii) Right-of-use land and buildings relating to generation of electricity business governed by CERC Tariff Regulations are fully amortized over lease period or life of the related plant whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.
- xviii) Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized over lease period or life of the related plant whichever is lower. Other Right of use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

1.22 Income Taxes

Income tax expense comprises current tax and deferred tax.

Current Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case the tax is also recognised directly in equity or in other comprehensive income.

a) Current Income tax

Current tax is expected tax payable on taxable profit for the year, using tax rates enacted or substantively enacted at the balance sheet date and any adjustments to tax payable in respect of previous years.

b) Deferred tax

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity. A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

1.23 Earnings per Share:

Basic earning equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

1.24 Statement of Cash Flows

a) Cash and cash equivalents includes cash/drafts/cheques on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

b) Statement of cash flows is prepared in accordance with the indirect method (whereby profit or loss is adjusted for effects of non-cash transactions) prescribed in Ind AS-7 "Statement of Cash Flows".

1.25 Material prior period errors

Material prior period errors are corrected retrospectively by restating the comparative amounts for the prior periods presented in which error occurred. If the error occurred before the earliest period presented, opening balances of assets, liabilities and equity for the earliest period presented, are restated.

1.26 Segment Reporting:

i) Segments have been identified taking into account nature of product and differential risk and returns of the segment. These business segments are reviewed by the Management.

ii) Electricity generation is the principal business activity of the company. Other operations viz., Consultancy works etc. do not form a reportable segment as per the Ind AS -108 - 'Operating Segments'.

iii) The company is having a single geographical segment as all its Power Stations are located within the Country.

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.

(Rupees in Lakhs)

	Particulars	Sub Note	As at March 31,2022	As at March 31,2021
2.1	Property, Plant and Equipment	2.1.1	556612	530885
2.2	Capital Work-in-progress	2.2.1	220497	192904
2.3	Investment Property	2.3.1	27	28
2.4	Other Intangible Assets	2.4.1	16	21
			777153	723838

2.5 Investments

(Rupees in Lakhs)

	Particulars	As at March 31,2022	As at March 31,2021
	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	-	-

2.6

Loans

(Rupees in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Security Deposits		
Secured Considered Good	-	-
Unsecured considered good	89	148
- Doubtful		
Total (A)	89	148
Loans to other Employees		
- Secured considered good	-	-
Unsecured Considered Good	-	-
- Doubtful	-	-
Total (B)	-	-
Total (C) =(A+B)	89	148

2.7 Others

(Rupees in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Other Deposits	-	-
Bank Deposit with more than 12 months maturity	-	-
Total	-	-

2.8 Regulatory Deferral Accounts -Debit Balance

(Rupees in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Regulatory Deferral Accounts -Debit Balance	-	-
Total	-	-

Himachal Pradesh Power Corporation Limited

2.9 Non Current Assets

Other Non Current assets

(Rupees in Lakhs)

As at March 31,2022 As at March 31,2021

Capital Advances		
Advances to Suppliers and Contractors		
Covered By Bank Guarantee	-	-
Unsecured Considered Good	5,781	5,718
Others	-	381
Loans and Advances to Related Parties		
Unsecured Considered Good	61	61
Less: Provision for Doubtful Advances	(61)	(61)
Advances to Govt Departments		
Advances to Others		
Others- Secured Considered Good	46	29
Others- Unsecured Considered Good	383	229
	-	-
Total Advances (A)	6,211	6,357
Others		
Recoverable from Contractors		
Others- Secured Considered Good	-	-
Others- Unsecured Considered Good	1,560	1,545
Recoverable from staff	-	-
Deposits with Income Tax Authorities	7,599	7,557
Other Recoverable	19	147
Less: Provision for Doubtful Recoverable	(13,034)	(12,969)
Capital Stores at Cost		
Other Items	-	1
Grant Receivables- Non Current	97,190	52,821
Prepaid Expenses	3	5
Deferred Employee Benefits Expense	-	-
Total - Others (B)	93,337	49,107
	-	-
Total Other Non- Current Assets (C)=(A+B)	99,548	55,464

Himachal Pradesh Power Corporation Limited

Current Assets

2.10 Inventories

(Rs. in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Inventories	40	34
Loose Tools	90	74
Stores and Spares	744	735
Less : Provision for Shortage of store and Obsolescence		
Total	874	843

2.11 Trade Receivables

(Rs. in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Secured Considered good		
Unsecured considered good:		
Sale of Power	485	462
Others(HPTCL)	24	24
Total	509	486

2.12 Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Term Deposits (having original maturity of upto 3 months)		
Cash and Bank Balances		
Cash in Hand	0	0
Stamps in Hand	0	0
Balance with Banks		
Current Deposits	1,608	1,156
Term Deposits with maturity upto 3 months		
Total	1,609	1,157

2.13 Bank Balance - Other than above

(Rs. in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
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	3,320	2,284
Total	3,320	2,284

Himachal Pradesh Power Corporation Limited

2.14 Loans

(Rupees in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Security Deposits		
Secured Considered Good	-	-
Unsecured considered good	61	2
Doubtful	-	-
Recoverable from Staff	2	5
Advances to Employees		
Secured considered good	-	-
Unsecured Considered Good	0	1
Doubtful	-	-
Total Loans	63	7

2.15 Other Assets

(Rupees in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Interest Accrued but not due on deposits with Banks	36	159
Interest recoverable	19	185
Amount Receivable from Others	229	100
Amount Recoverable from Contractor & Suppliers	19,294	18,670
Others- Secured Considered Good	-	-
Others- Unsecured Considered Good	-	-
Total Other Financial Assets	19,577	19,113

2.16 Other Current Assets

(Rupees in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Advances Others		
Secured Considered Good	-	-
Unsecured considered good	22	-
Advance to Suppliers and Contractors		
Secured Considered Good	-	-
Unsecured considered good	4,417	2,592
Advances to Govt Departments		
Secured Considered Good	-	-
Unsecured considered good	635	462
Others		
Prepaid Expenses	313	187
Amount Recoverable from tax authorities	10	10
Deposits with Courts	21,180	12,956
Other Recoverable	0	0
Recv from Rent	30	-
Total	26,606	16,207

Himachal Power Corporation Limited

2.17 Equity Share Capital

	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Share Capital (Rs. in Lakhs)	No. of Shares	Share Capital (Rs. in Lakhs)
AUTHORISED				
Equity Shares of par value @ 1000/- each	2,50,00,000.00	2,50,000.00	2,50,00,000.00	2,50,000.00
	-	-	-	-
	-	-	-	-
ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity Shares of par value @ 1000/- each fully paid up	2,25,10,279.00	2,25,102.79	2,18,77,133.00	2,18,771.33
	-	-	-	-
Total	-	2,25,102.79	-	2,18,771.33

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

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%	No. of shares	%
Government of Himachal Pradesh (GoHP)	93,30,991	41.45	86,97,845	39.76
Himachal Pradesh Infrastructure Development Board	1,18,71,507	52.74	1,18,71,507	54.26
Himachal Pradesh Electricity Board Limited	13,07,731	5.81	13,07,731	5.98
	2,25,10,229	100.00	2,18,77,083	100.00

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Share Capital (Rs. in Lakhs)	No. of Shares	Share Capital (Rs. in Lakhs)
Number of shares at the beginning	2,18,77,133	2,18,771.33	2,18,05,633	2,18,056.33
No. of shares issued during the year	6,33,146	6,331.46	71,500	715.00
No. of shares Bought Back during the year	-	-	-	-
Number of shares at the end	2,25,10,279	2,25,102.79	2,18,77,133	2,18,771.33

Himachal Pradesh Power Corporation Limited

Non Current Liabilities

2.18 Borrowings

(Rupees in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Term Loans		
From Banks:		
A Secured		
From UCO Bank	-	1,807
Total (A)	-	1,807
B Unsecured:		
Government of Himachal Pradesh Loan for Shongtong HEP (Rate of Interest 3.83% p.a. payable in halfyearly instalments from july 2018 to January 2028)	5,162	7,227
Government of Himachal Pradesh Loan for Shongtong HEP (Rate of Interest 0.75% p.a. payable in halfyearly instalments from july 2023 to January 2053)	4,959	4,959
Government of Himachal Pradesh Loan Government of Himachal Pradesh Loan (Trench 1) (Rate of Interest 10% pa payable in yearly instalments of principal and interest from april 18 to January 2023)	-	-
Government of Himachal Pradesh Loan (Trench 2) (Rate of Interest 10% pa payable in yearly instalments of principal and interest from april 18 to January 2025)	5,544	11,088
Government of Himachal Pradesh Loan (Trench 3) (Rate of Interest 10% pa payable in yearly instalments of principal and interest from april 18 to January 2026)	31,580	52,633
Government of Himachal Pradesh Loan (Trench 4) (Rate of Interest 10% pa payable in yearly instalments of principal and interest from april 18 to January 2027)	17,134	23,988
Government of Himachal Pradesh Loan (SEC.TRM.LOAN HP Govt)	-	-
Total (B)	64,379	1,15,302
Total Term Loans from Banks (A+B)	64,379	1,17,109

2.19 Lease Liabilities

(Rupees in Lakhs)

	As at March 31,2022	As at March 31,2021
Lease Liabilities -Non Current	683	49
Total	683	49

2.20 Other Financial Liabilities

(Rupees in Lakhs)

	As at March 31,2022	As at March 31,2021
Deposits, Retention Money from Contractors and Others	1,279	7,618
Liabilities For Contractors & Suppliers	0	686
Provision for Expenses	3,105	4,283
Deferred Repayment of Interest of GOHP Loan	-	-
Total	4,384	12,588

Himachal Pradesh Power Corporation Limited

2.21 Non Current Liabilities Provisions (Rupees in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Unfunded Employee benefit		
Pension Contribution	1,241	1,121
Gratuity	1,621	1,333
Leave Enchasmment	3,833	3,146
	-	-
Total	6,695	5,600

2.22 Deferred tax liabilities (Net)

Particulars	As at March 31,2022	As at March 31,2021
Deferred Tax Liabilities	-	-
Total	-	-

2.23 Other Non-Current Liabilities (Rupees in Lakhs)

Particulars	As at March 31,2022	As at March 31,2021
Capital Grant government of India Utilised Grant Renuka		
Opening Balance	1,23,157	76,201
Additions during the year	47,631	46,956
Less: Accumulated depreciation on fixed Assets	240	220
Less: Accumulated Depreciation on Fixed Assets write-off during the year	0	0
Closing Balance	1,70,548	1,22,937
	-	-
Gyspa		
Opening Balance	1,251	1,104
Additions during the year	22	147
Less: Accumulated depreciation on fixed Assets	40	36
Closing Balance	1,233	1,214
Total Utilised grant	1,71,781	1,24,152

Himachal Pradesh Power Corporation Limited

Current Liabilities

2.24 Borrowings (Rupees in Lakhs)

Particulars		As at March 31,2022	As at March 31,2021
A Secured			
From Banks			
From UCO Bank	1,639	-	-
From Others	-	-	-
From KCCBL	13,967	11,345	
HPSCBL CCL	3,359	2,739	
	-	-	-
B Unsecured:			
Government of Himachal Pradesh Loan	1,89,112	1,38,189	
Total	2,08,077	1,52,273	

2.25 Lease Liabilities (Rupees in Lakhs)

Particulars		As at March 31,2022	As at March 31,2021
Lease Liabilities	167	111	
	-	-	-
Total	167	111	

2.26 Trade Payables (Rupees in Lakhs)

Particulars		As at March 31,2022	As at March 31,2021
Trade Payables	-	-	
Total	-	-	

2.27 Other Financial Liabilities**(Rupees in Lakhs)**

Particulars	As at March 31,2022	As at March 31,2021
Liabilities for employees Remuneration and Benefit	128	133
Share Application Money pending Allotment	-	5,506
Interest Accrued and Due on Loan	1,96,030	1,71,734
Salary & Other Exps. Payable to Employees	-	0
Advance for deposit Work	0	0
Deposits, Retention Money from Contractors and Others	8,814	2,109
Liabilities for Government Departments	98,629	56,675
Liabilities For Contractors & Suppliers	2,580	4,188
Provision for Expenses	10,317	6,014
Taxes and Duties Payable	136	136
Other Liabilities	-	0
	-	-
Total	3,16,635	2,46,496

2.28 Provisions**(Rupees in Lakhs)**

Particulars	As at March 31,2022	As at March 31,2021
Unfunded Employee benefit		
Gratuity	-	47
Leave Encasement	-	48
Total	-	95

Himachal Pradesh Power Corporation Limited

2.29 Revenue from Operations

(Rupees in Lakhs)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Sales		
Energy Sales	40,034	12,166
	-	-
Less: Purchase of Power (RTM)	(18)	(3)
Total Energy Sale(A)	40,016	12,163
	-	-
Sale of Services		
Rent from Property	40	45
Total Sale of Services (B)	40	45
	-	-
Total Revenue from Operations(C)=(A+B)	40,056	12,208

2.30 Other Income

(Rupees in Lakhs)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Miscellaneous Income	114	490
Total	114	490
	-	-
#Miscellaneous Income		
Income for providing Design works/Lab Receipt	0	1
Interest from Banks	8	5
Late Payment Surcharge	5	-
Rebate NRLDC Fee Chg	2	0
Interest on Bank Deposit - FDR's	25	11
Others	74	472
Total	114	490

2.31 Employee Benefits Expense

(Rupees in Lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Salaries, Wages, Allowances and Benefits	2,291	1,432
Contribution to Provident and Other Funds	96	76
Leave Salary and Pension Contribution *	335	127
Welfare Expenses	277	110
	-	-
Total	2,998	1,744

2.32 Finance Costs

(Rupees in Lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Bank Charges	0	0
Interest on Term Loan	19,653	14,274
Interest on Other Loan	624	3
Total	20,278	14,277

2.33 Depreciation and Amortization Expense

(Rupees in Lakhs)

Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Depreciation for the Year	20,589	12,535
	-	-
Depreciation Charged to Statement of Profit & Loss	20,589	12,535

Himachal Pradesh Power Corporation Limited

2.34 Other Expenses

Office and Administrative Expenditure

(Rupees in Lakhs)

	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Repair and Maintenance		
Buildings	75	73
Roads	120	41
Plant & Machinery	854	1,113
Office Equipments & Furnitures	1	1
Civil Works	340	194
Vehicles	0	1
	1,390	1,423
Rent, rates and Taxes	3	33
Insurance -Other Assets	331	117
Electricity & Water Charges	36	40
Travelling & Conveyance	1	3
Traning Expenses	0	20
Legal and Professional Charges	74	95
Communication Expenses	11	13
Printing & Stationery	5	6
Statutory Audit Fees	8	8
Consultancy fees	3	1
Publicity and Advertisement Expenses	16	3
Expenses in relation to sale of power	4,389	816
Free Power	62	47
Hiring of Vehicles	138	117
Vehicle Running Charges and Insurance Charges	4	2
Annual Technical Support- SAP	1	1
Fees and subscription	5	5
Expenses on Transit Camps	0	0
Books & Periodicals	1	1
Hospitality and Entertainment Expense	2	1
Freight and Labour Charges	0	0
Postage and Telegram Expenses	0	0
Raising Day Expense	11	0
Rebate to Customers	37	38
Meeting Expenses	0	0
Environment & Ecology Expenses	(25)	43
Office Expenses	23	42
Interest & penalties under I.Tax	0	1
Loss on Sale of Fixed Assets	60	9
Miscellaneous Expenses	199	61
Training Expense O&M	-	-
Contribution to IIIT	480	-
Intt./Penalty- Entry	0	-
Round Off	0	-
Total	7,269	2,945

Himachal Pradesh Power Corporation Limited

2.35 Other Comprehensive Income

(Rupees in Lakhs)		
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
A. Items that will not be reclassified to profit & loss		
(ii) Remeasurement of the defined benefit plans	171	1,269
Total	171	1,269

2.36 Earning Per Share Basic and Dilluted

(Rupees in Lakhs)		
Particulars	For the Year Ended March 31, 2022	For the Year Ended March 31, 2021
Net Profit After Tax	(11,134)	(20,073)
Wighted Average No. of shares	2,21,93,706	2,18,41,383
Face value of shares	1,000	1,000
EPS	-50.17	-91.90

Note No. 2.37 Disclosure as per Ind AS 8 - 'Accounting Policies, Changes in Accounting Estimates and Errors'

(A) Restatement for the year ended 31st March 2021 and as at 1st April 2020

In accordance with Ind AS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors' and Ind AS 1, 'Presentation of Financial Statements', the Company has retrospectively restated its Balance Sheet as at 31st March 2021 and 1st April 2020 (beginning of the preceding period) and Statement of Profit and Loss and Statement of Cash Flows for the year ended 31st March 2021 for the reasons as stated in the notes below.

Reconciliation of Restated Items of Balance Sheet as at 31st March 2021 & 1st April 2020 :

(Rupees in Lakhs)

Particulars	Note No.	As at March 31, 2021				As at April 1, 2020			
		As Previously Reported	IND AS 8 Adjustment	IND AS 116 Adjustment	As Restated	As Previously Reported	IND AS 8 Adjustment	IND AS 116 Adjustment	As Restated
Property, plant and equipment	(i)	5,30,758	-	-	5,30,758	3,02,301	-	-	3,02,301
Accumulated Depreciation		-	-	-	-	-	-	-	-
DEP NON RES-BUILDING		376	1	-	375	320	5	-	315
ACC DEP PRJ. CIVILWRK		30,696	(13)	-	30,708	22,001	(26)	-	22,027
ACC DEP PRJ. E&M WRK		12,319	(6)	-	12,326	8,799	(7)	-	8,806
Capital Work-in-Progress	(i)	1,92,901	3	-	1,92,904	3,29,527	0	-	3,29,527
Right-of-use asset	(i)	142	-	-	172	305	-	-	340
Other Current Assets	(i)	16,231	(17)	-	16,213	14,793	(6)	-	14,787
Extract Total		-	(32)	-	30	-	(34)	-	35
Other Equity	(i)	(55,207)	(729)	-	(55,934)	(35,134)	(1,763)	-	(36,895)
Other Non current financial liabilities-		-	-	-	-	-	-	-	-
Lease Liabilities	(i)	23	-	-	26	49	-	-	30
Other Current financial liabilities-		-	-	-	-	-	-	-	-
Provision for expenses	(i)	6,014	0	-	6,014	4,712	-	-	4,712
Taxes and Duties Payable	(i)	133	3	-	136	177	0	-	-
Liabilities For Contractors & Suppliers	(i)	1,741	694	-	2,435	2,300	1,753	-	-
Lease Liabilities	(i)	107	-	-	111	188	-	-	4
Other Financial Liabilities		-	-	-	-	2,093	(25)	-	2,069
Extract Total		-	(32)	-	30	-	(34)	-	35

Reconciliation of Restated Items of Statement of Profit and Loss for the year ended 31st March 2021

Particulars	Note No.	As at March 31, 2021					As at March 31, 2020				
		As Previously Reported	IND AS 8 Adjustment	IND AS 40 Adjustment	IND AS 116 Adjustment	As Restated	As Previously Reported	IND AS 8 Adjustment	IND AS 40 Adjustment	IND AS 116 Adjustment	As Restated
Finance Costs	(i)	14,277	-	-	3	14,280	13,013	-	-	-	13,013
Depreciation and Amortization Expense	(i)	12,535	17	-	5	12,556	10,824	28	-	5	10,852
Other Expenses	(i)	2,945	712	-	(7)	3,651	2,913	1,759	-	(7)	4,672
Interest From deposits		-	-	-	-	-	0	25	-	-	25

Notes:

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

Sub Note No 2.1.1

Schedule of Property Plant and Equipment

(Rupees in Lakhs)

- 29 -



Himachal Pradesh Power Corporation Limited

Note No 2.2.1

Capital work in progress

(Rupees in Lakhs)

Particulars	Note	Amount As at 31.03.2021	Addition during FY 2021-22	Deletion during FY 2021-22	Net Adj.During FY 2021-22	Amount as at 31.03.2022
Residential Buildings	2.2.1.1	-	-	-	-	-
Non Residential Buildings	2.2.1.1	179	6	-	6	184
Roads, Bridges & Culverts	2.2.1.1	465	216	6	210	675
Civil Works	2.2.1.1	66,800	8,611	151	8,456	75,261
Electro-Mechanical Works	2.2.1.1	30,428	3,522	3	3,520	33,948
Construction Power	2.2.1.1	-	2	-	2	2
Plant & Machinery	2.2.1.1	8	-	-	-	8
Land Submerged Area	2.2.1.1	-	-	-	-	-
Investigation & Survey	2.2.1.1	-	4	4	-	-
Environment & R&R Expenses	2.2.1.1	-	6	6	-	-
AUC office item	2.2.1.1	-	1	-	-	1
G.Total		97,879	12,368	169	12,193	1,10,078
Expenditure during construction	2.2.2	95,021	20,605	(5,210)	15,395	1,10,417
IND AS adjustment		3	-	-	-	3
Total Carried forward to Balance Sheet)		1,92,904	32,973	5,379	27,588	2,20,497

Note No 2.2.1.1

(Rupees in Lakhs)

Particulars	Residential Buildings as at 31.03.2022	Non Residential Buildings as at 31.03.2022	Roads, Bridges & Culverts as at 31.03.2022	Civil Works as at 31.03.2022	Electro- Mechanical Works as at 31.03.2022	Construction Power as at 31.03.2022	Plant & Machinery as at 31.03.2022	Land Submerged Area as at 31.03.2022	Investigation & Survey as at 31.03.2022	Environment & R&R Expenses as at 31.03.2022	Office Item	G.Total
Sundernagar	-	-	-	-	-	-	-	-	-	-	-	-
Sawra Kuddu HEP	-	-	20	38	-	-	-	-	-	-	-	58
Kashang HEP Stage-I	-	-	58	-	-	-	-	-	-	-	-	58
Sainj HEP	-	184	308	101	-	-	-	-	-	-	-	593
Renuka Dam Project	-	-	-	-	-	-	8	-	-	-	-	8
Shontong HEP	-	-	-	58,759	33,948	1	-	-	-	-	-	92,708
Triveni HEP	-	-	-	-	-	-	-	-	-	-	-	-
Thana Plaun HEP	-	-	-	-	-	-	-	-	-	-	0	0
Nakthan HEP	-	-	-	-	-	-	-	-	-	-	1	1
Gypsa HEP	-	-	-	-	-	-	-	-	-	-	-	-
Surgani Sundla HEP	-	-	-	-	-	-	-	-	-	-	-	-
Deothal Chanju	-	-	10	-	-	-	-	-	-	-	-	10
Chanju-III	-	-	19	-	-	-	-	-	-	-	-	19
Berra-Dol Solar Power Project	-	-	-	-	-	-	-	-	-	-	-	-
Kashang HEP Stage-II	-	-	261	16,363	-	1	-	-	-	-	-	16,624
G.Total	-	184	675	75,261	33,948	2	8	-	-	-	1	1,10,078

HIMACHAL PRADESH POWER CORPORATION LIMITED

Note 2.3.1

Investment Property

As at 31-3-22

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	(Rupees in Lakhs) 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
Building -Investment	47	-	-	47	18	1	-	20	27	28
	-	-	-	-	-	-	-	-	-	-
Total	47	-	-	47	18	1	-	20	27	28

As at 31-3-21

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	(Rupees in Lakhs) NET BLOCK
	As at 01.04.2020	Addition during the year	Deductions / Adjustments	As at 31.03.2021	As at 01.04.2020	Addition during the year	Deductions / Adjustments	As at 31.03.2021	As at 31.03.2021	As at 31.03.2020
Building -Investment	47	0	0	47	17	1	0	18	28	30
	0	0	0	0	0	0	0	0	0	0
Total	47	0	0	47	17	1	0	18	28	30

Hachal Pradesh Power Corporation Limited

Sub Note No 2.4.1 Other Intangible Assets

(Rupees in Lakhs)

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	
Software	69	0	0	69	48	4	0	53	16	21	
Total	69	0	0	0	48	4	0	53	16	21	

(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 financier

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, 2022 and 31st March, 2021. 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 2.18, 2.20, 2.24 & 2.27)

(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	-	-

(Rs. In Laacs)

As at 31st March, 2021						
Contractual maturities of financial liabilities	Note No.	Outstanding debt on 31.03.2021	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)	2.20, 2.22, 2.26 & 2.29	255298.25	139996.10	33736.02	36988.51	44577.62
2. Other current & financial liabilities	2.22 & 2.29	270742.32	269701.88	1040.44	-	-

(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.

(Rs. in Laacs)

Particulars	As At 31st March 2022	As At 31st March 2021
Fixed Rate Borrowings	64,379	1,15,302

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 2022			As At 31st March 2021		
Foreign Currency	USD	Euro	CHF	USD	Euro	CHF
Financial Assets						
Net Exposure to foreign currency risk -Asset (A)	7.92	0	0	7.92	0.84	0
Financial Liabilities						
Retention Money	0	0	0	0	1.32	0

Other Payables	0	0	0	0	0	0
Net Exposure to foreign currency risk –Liabilities(B)	0	0	0	0	(1.32)	0
Net Exposure to foreign currency risk (A-B)	7.92	0	0	7.92	(0.48)	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, 2022.

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 Laes)	
	As at 31st March 2022	As at 31st March 2021
a) Loans and Borrowings	2,72,456.00	1,31,193.09
b) Trade and Other Payables	4,99,495.00	5,24,694.35
b) Less: Cash and Cash Equivalents	2,651.00	1,157.00
c) Net Debt	7,69,300.00	6,54,730.00
d) Total Capital	1,56,546.00	1,63,564.72
e) Capital and Net Debt	9,25,846.00	8,18,294.72
f) Gearing Ratio (%age)	83.09	80.00

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 31.03.2022 is Rs. 68557 Lakhs, 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 31.3.2022, aggregating to approx. Rs. 77378.51 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.

Rs. in Lac		
Particulars	31 st March 2022	31 st March 2021
Capital Works	77378.51	80166.75
Land Compensation	79245.46	168618.40
Others	457.52	5489.65
Total	157081.49	254274.8

(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.79245.46 lacs as on 31.03.2022, before various authorities/courts. Company has shown the same as contingent liability as the matter is subjudice. It is worthwhile to mention here that the calculations of 445 number court cases (on 31.01.2023) of enhanced compensation in respect of Renukaji Dam Project have been considered till 31.03.2023.

(iii) Others:

- a) Claims on account of other matters as on 31.03.2022, amounting to Rs. 457.52 Lacs, mainly on account of claims for EPF, Data Centre & building etc.

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

The above is summarized below as at 31.03.2021:

Particulars	Claims as on 31.3.2021	Provision Against The Claims	Contingent Liability as on 31.3.2021	Contingent Liability as on 31.3.2020	Rs. In Lac
					Addition /deletion of Contingent Liability for the period
Capital Works	80,166.75	0	80,166.75	62,680.45	17,486.30
Land Compensation	168,618.40	0	168,618.40	18,579.44	150,038.96
Others	5,489.65	0	5,489.65	787.98	4,701.67

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 2022	As At 31 st March 2021
Civil Work and E & M works	60816.73	59306.60

2.43 Estimated amount of commitments not provided for is as under:

(Rs. In Lacs)

Particulars	Currency	As At 31 st March 2022	As At 31 st March 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for	INR	82322.38	74896.71
	Euro	702.58	8.30
	US\$	4132.78	82.18

2.44 The effect of foreign exchange fluctuation during the year is as under:

(Rs. In Lacs)

Sr. No.	Particulars	Year ended 31.3.2022	Year ended 31.3.2021
(i)	Amount Charged to Statement of Profit and Loss Account excluding depreciation	21.91 (Net)	-39.30 (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) Defined benefit plans:

(i) Employers contribution to Provident Fund:

The employees of the company are covered under EPF Scheme with Regional Provident Commissioner and the contribution is being paid on monthly basis to the authorities.

(ii) Gratuity:

The Company has a defined benefit Gratuity Plan, for its employees, which is regulated as per the provisions of Payment of Gratuity Act, 1972. 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 gratuity 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 gratuity plan and the amounts recognized in the Company's financial statements as at balance sheet date:

		(Amt. in Rs.)	
	Assets / Liability	31/03/2021	31/03/2022
a	Present value of obligation	137,986,302	162,078,774
b	Fair value of plan assets	--	--
c	Net assets / (liability) recognized in balance sheet as provision	(137,986,302)	(162,078,774)

Plan Liability: - The actuarial value of gratuity liability calculated on the above assumptions works out as under:

		(Amt. in Rs.)	
Date Ending		31/03/2021	31/03/2022
	Present value of obligation as at the end of the period	137,986,302	162,078,774

Service Cost

		(Amt. in Rs.)	
		31/03/2021	31/03/2022
a)	Current Service Cost	13,421,186	14,994,017
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	13,421,186	14,994,017

Net Interest Cost

		(Amt. in Rs.)	
		31/03/2021	31/03/2022
a)	Interest Cost on Defined Benefit Obligation	--	9,383,069
b)	Interest Income on Plan Assets	--	--
c)	Net Interest Cost (Income)	--	9,383,069

Change in Benefit Obligation

		(Amt. in Rs.)	
		31/03/2021	31/03/2022
a)	Present value of obligation as at the beginning of the period	68,182,720	137,986,302

b)	Acquisition adjustment	--	--
c)	Interest Cost	--	9,383,069
d)	Service Cost	13,421,186	14,994,017
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	--	(1,364,670)
g)	Total Actuarial (Gain)/Loss on Obligation	56,382,396	1,080,056
h)	Present value of obligation as at the End of the period	137,986,302	162,078,774

Bifurcation of Actuarial Gain/Loss on Obligation

		31/03/2021	31/03/2022
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)
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	56,382,396	9,138,556

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.)	
		31/03/2021	31/03/2022
a)	Present Value of the obligation at end	137,986,302	162,078,774
b)	Fair value of plan assets	--	--
c)	Unfunded Liability/provision in Balance Sheet	(137,986,302)	(162,078,774)

The amounts recognized in the income statement.

		(Amt. in Rs.)	
		31/03/2021	31/03/2022
a)	Total Service Cost	13,421,186	14,994,017
b)	Net Interest Cost	--	9,383,069
c)	Expense recognized in the Income Statement	13,421,186	24,377,086

Other Comprehensive Income (OCI)

		(Amt. in Rs.)	
		31/03/2021	31/03/2022
a)	Net cumulative unrecognized actuarial gain/(loss) opening	--	--
b)	Actuarial gain / (loss) for the year on PBO	(56,382,396)	(1,080,056)

c)	Actuarial gain /(loss) for the year on Asset	--	--
d)	Unrecognized actuarial gain/(loss) for the year	(56,382,396)	(1,080,056)

Change in Net Defined Benefit Obligation

(Amt. in Rs.)

		31/03/2021	31/03/2022
a)	Net defined benefit liability at the start of the period	68,182,720	137,986,302
b)	Acquisition adjustment	--	--
c)	Total Service Cost	13,421,186	14,994,017
d)	Net Interest cost (Income)	--	9,383,069
e)	Re-measurements	56,382,396	1,080,056
f)	Contribution paid to the Fund	--	--
g)	Benefit paid directly by the enterprise	--	(1,364,670)
h)	Net defined benefit liability at the end of the period	137,986,302	162,078,774

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

(Amt. in Rs.)

		31/03/2021	31/03/2022
a)	Current liability (Amount due within one year)	4,710,990	10,008,744
b)	Non-Current liability (Amount due over one year)	133,275,312	152,070,030
	Total PBO at the end of year	137,986,302	162,078,774

Expected contribution for the next Annual reporting period.

(Amt. in Rs.)

		31/03/2021	31/03/2022
a)	Service Cost	14,179,125	15,848,713
b)	Net Interest Cost	9,383,069	11,702,087
c)	Expected Expense for the next annual reporting period	23,562,194	27,550,800

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	162,078,774
a)	Impact due to increase of 0.50%	(8,892,302)
b)	Impact due to decrease of 0.50 %	9,670,946
b) Impact of the change in salary increase		
	Present Value of Obligation at the end of the period	162,078,774
a)	Impact due to increase of 0.50%	3,819,706
b)	Impact due to decrease of 0.50 %	(3,990,620)

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	31/03/2021	31/03/2022
a	Present value of obligation	158,817,866	206,910,761
b	Fair value of plan assets	--	--
c	Net assets / (liability) recognized in balance sheet as provision	(158,817,866)	(206,910,761)

Plan Liability

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

(Amt. in Rs.)		
Date Ending	31/03/2021	31/03/2022
Present value of obligation as at the end of the period	158,817,866	206,910,761

Service Cost

(Amt. in Rs.)			
		31/03/2021	31/03/2022
a)	Current Service Cost	15,308,664	18,755,314
b)	Past Service Cost including curtailment Gains/Losses	--	--
c)	Gains or Losses on Non routine settlements	--	--
d)	Total Service Cost	15,308,664	18,755,314

Net Interest Cost

(Amt. in Rs.)			
		31/03/2021	31/03/2022
a)	Interest Cost on Defined Benefit Obligation	--	10,799,615
b)	Interest Income on Plan Assets	--	--
c)	Net Interest Cost (Income)	--	10,799,615

Change in Benefit Obligation

(Amt. in Rs.)

		31/03/2021	31/03/2022
a)	Present value of obligation as at the beginning of the period	73,400,288	158,817,866
b)	Acquisition adjustment	--	--
c)	Interest Cost	--	10,799,615
d)	Service Cost	15,308,664	18,755,314
e)	Past Service Cost including curtailment Gains/Losses	--	--
f)	Benefits Paid	(409,101)	(925,922)
g)	Total Actuarial (Gain)/Loss on Obligation	70,518,015	19,463,888
h)	Present value of obligation as at the End of the period	158,817,866	206,910,761

Actuarial Gain/Loss on Obligation

(Amt. in Rs.)

		31/03/2021	31/03/2022
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)
c)	Actuarial (Gain)/Loss on arising from Experience Adjustment	70,518,015	31,078,086

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.)

		31/03/2021	31/03/2022
a)	Present Value of the obligation at end	158,817,866	206,910,761
b)	Fair value of plan assets	--	--
c)	Unfunded Liability/provision in Balance Sheet	(158,817,866)	(206,910,761)

The amounts recognized in the income statement.

(Amt. in Rs.)

		31/03/2021	31/03/2022
a)	Total Service Cost	15,308,664	18,755,314
b)	Net Interest Cost	--	10,799,615
c)	Net actuarial (gain) / loss recognized in the period	70,518,015	19,463,888
c)	Expense recognized in the Income Statement	85,826,679	49,018,817

Change in Net Defined Benefit Obligation

(Amt. in Rs.)

		31/03/2021	31/03/2022
a)	Net defined benefit liability at the start of the period	73,400,288	158,817,866
b)	Acquisition adjustment	--	--
c)	Total Service Cost	15,308,664	18,755,314
d)	Net Interest cost (Income)	--	10,799,615
e)	Re-measurements	70,518,015	19,463,888
f)	Contribution paid to the Fund	--	--
g)	Benefit paid directly by the enterprise	(409,101)	(925,922)
h)	Net defined benefit liability at the end of the period	158,817,866	206,910,761

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

(Amt. in Rs.)

		31/03/2021	31/03/2022
a)	Current liability (Amount due within one year)	4,785,248	10,341,464
b)	Non-Current liability (Amount due over one year)	154,032,618	196,569,297
	Total PBO at the end of year	158,817,866	206,910,761

Expected contribution for the next Annual reporting period.

(Amt. in Rs.)

		31/03/2021	31/03/2022
a)	Service Cost	16,110,090	19,772,704
b)	Net Interest Cost	10,799,615	14,938,957
c)	Expected Expense for the next annual reporting period	26,909,705	34,711,661

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	206,910,761
a)	Impact due to increase of 0.50 %	(12,771,403)
b)	Impact due to decrease of 0.50 %	13,924,613
b) Impact of the change in salary increase		
	Present Value of Obligation at the end of the period	206,910,761
a)	Impact due to increase of 0.50 %	13,752,892
b)	Impact due to decrease of 0.50 %	(12,739,417)

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:

Sr. No	Name of Customer	Revenue from Customers	Revenue from Customers	Revenue from Customers as %age of revenue	
		2021-22	2020-21	2021-22	2020-21
1	HPSEB Ltd.	349.18	356.04	0.87	2.93
2	M/s TPTCL	35204.63	11351.44	87.94	93.33
3	M/s PTC	4480.10	455.24	11.19	3.74

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. Amit Kashyap, IAS	Managing Director	02.11.2020 to 24.06.2021
Sh. Devesh Kumar, IAS		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
Sh. Manmohan Sharma, IAS	Director (Personnel & Finance)	10.06.2019 to 24.06.2021
Ms. Priyanka Verma, IAS		28.06.2021 to 05.08.2022
Sh. Mukesh Repaswal, IAS		06.08.2022 to 19.01.2023
Dr. Amit Kumar Sharma		19.01.2023 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		19.01.2023 till date
Sh. Dharam Singh Thakur	Director (Civil)	09.03.2018 to 10.06.2021
Sh. Surender Kumar		22.07.2021 till date
Sh. Sudershan Kumar Sharma	Company Secretary	07.08.2008 till date

(ii) Joint Ventures:

Name of Entity	Principal Place of operation	Principal Activities	Percentage of Shareholding/ voting Power	
			As At 31 st March 2022	As At 31 st March 2021
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	
	2021-22	2020-21
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 2021-22	Year ended on 2020-21
(i)	Short Term Employee Benefits	91.32	104.02
(ii)	Post Employment Benefits	6.17	Nil
(iii)	Other Long Term Benefits	Nil	Nil
(iv)	Termination Benefits	Nil	Nil
	Total	97.49	104.02

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, 2022 are set out below, which in the opinion of the management, are material to the company. The entities listed below have share capital consisting solely of equity shares, which are held directly by the company. The country of in 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 2022	31 st March 2021	31 st March 2022	31 st March 2021
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 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 2022 using the Equity Method:

Himachal EMTA Power Limited	(Rs In Laacs)	
	As At 31 st March 2022	As At 31 st March 2021
Current Assets:		
Cash and cash Equivalents	16.33	15.57
Other Assets	0.73	0.66
Total Current Assets	17.06	16.23
Total Non Current Assets	339.06	230.14
Current Liabilities:		
Financial Liabilities	0.71	0.51
Current Liabilities	1.66	2.02
Total Current Liabilities	2.37	2.53
Non Current Liabilities:		
Financial Liabilities	121.00	121.00
Other Liabilities	45.83	40.87
Total Non Current Liabilities	166.83	161.87
Net Assets	186.92	81.97

Summarised statement of Profit and Loss using Equity Method:

	(Rs. In Laacs)	
	As At 31 st March 2022	As At 31 st March 2021
Revenue	0.00	0.00
Interest Income	1.23	0.59
Other Expenses	1.01	0.92
Depreciation and Amortisation	0.00	0.00
Profit Before Tax	0.24	-0.33
Tax Expense	0.04	0.00
Total Comprehensive Income for the Year	0.21	-0.33

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:

(Rs. In Laacs)

	Particulars	Year ended on 2021-22	Year ended on 2020-21
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 2021-22	Year ended on 2020-21
1)	Licensed Capacity	281MW	281MW
2)	Installed Capacity	281MW	281MW
3)	Actual Generation (million Units)	959.90MUs	463.32MUs

2.54 Payment to Auditors includes:

(Rs In Laacs)

Particulars	Year ended on 2021-22	Year ended on 2020-21
As Auditors		
Statutory Auditors	5.62	00
Tax Audit	1.00	00
Cost Audit		00
Other services (Certification fee-Actuarial)	0.20	0
Reimbursement of Expenses(TA/DA)	0.00	1.17
Reimbursement of GST	1.05	0
Total	7.87	1.17

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 2022 as required by Micro, Small and Medium Enterprises Development Act, 2006:

(Rs. In Laacs)

Particulars	Year ended on 2021-22	Year ended on 2020-21
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 have 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 yet to be completed by the Assessing Officer.

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 Sundarnagar 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 2022 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 Sales-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 2022 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. Disbursements for this loan facility have also been started.

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.126.08 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 company has shown the liability as contingent and no accounting entry has been passed in the books of accounts. The hearing of this case is going on and next date of the hearing has been scheduled on 17.03.2023.

2.64 Commissioning of a new Project:

No new project is commissioned in the F.Y. 2021-22.

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. Now, DoE, GoHP vide letter dated 18.10.2022 has been again requested to recover the total expenditure i/c 10% interest liability till September, 2022 amounting to Rs. 3,60,62,126/- (Three crore, Sixty Lakhs, Sixty Two Thousand & One Hundred Twenty Six 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. 1899.23 Crore has been utilized till 31-12-2022, The amount of Rs 1812.68 Cr contributed by GoI, Govt. of NCT Delhi, Govt. of Haryana, GoHP. However, Out of HP Govt. Share of Rs.50.94 crores, HPPCL has already contributed Rs. 86.55 crores from its own funds. The fund flow for the Project from Govt. of India has started. GoI has released Rs 1037.92 Crore as Central Assistance for financial year 2021-22, for the payment of enhanced compensation to land owners for land acquisition for depositing required amount in CAMPA account for Stage-II Forest Clearance. An amount of Rs 1037.77 Cr out of Rs 1037.9246 Cr has been utilized up to 17.02.2023.

In case of Gyspa HEP, Company has shown Rs 7.14 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 could not be awarded to L1 due to the non-working season, however, the willingness for the validity of rates have been extended for another one year by the L1.

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 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 have filed liquidation proceedings with NCLT and the company has 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 31.03.2022, keeping in view the bleak realization of such recoverable

amount. The matter is still pending with NCLT and next hearing is scheduled on 21.02.2023.

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. Forest Clearance case is being pursued; however, the same has been pending for past some time. Forest right claims have been filed by both Nakthan and Tosh ward. 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" is being terminated. The other pre-construction stage activities such as demarcation of wild life sanctuary, FRA case and forest clearance shall be taken up once the project domain is clear.

A meeting was held on 29-01-2021, in DoE under the chairmanship of worthy Director (Energy). It was discussed in the meeting that standalone Hydroelectric schemes on River Parbati and Tosh Nalla would be explored subject to condition that Expert Appraisal Committee of MoEF&CC has no objection for maintaining the condition of Riparian gap between the cascading projects on Tosh Nalla. Hence, DoE is to ascertain the "No objection" of the MoEF&CC and intimate domain of Projects to HPPCL for further progress in the matter.

2.73 Power Sale Arrangements: In case of Kashang HEP Stage-I, the PPA agreement was in force with HPSEB and expired on 06th May 2018. After that the Company has made arrangement to sell the power in Energy Exchange by signing PPA on dated 24.11.2021 through Power Trader, M/s PTC India Limited valid from 01.09.2021 to 30.04.2022. Now, PPA has been signed on dt. 28.04.2022 between HPPCL and HPSEBL @ Rs. 3.40/unit valid from 01.05.2022 to 31.03.2023.

In case of Sawra Kuddu HEP, the PPA was signed on dt. 04.11.2020 for sale of Power at IEX between HPPCL and TPTCL after 21.01.2021. Further, PPA was signed on dt. 24.11.2021 for sale of Power at IEX between HPPCL and TPTCL. Now, PPA has been signed on dt. 28.04.2022 between HPPCL & HPSEBL @ Rs. 3.40/unit valid from 01.05.2022 to 31.03.2023.

In Sainj HEP, PPA has been executed from COD to date 31.08.2023 with TPTCL and in case of Berradol SPP, PPA from COD till 25 years with HPSEBL.

2.74 GoHP vide letter No. 1837 dated 30.04.2022 has been requested to defer the loan dues upto 31.03.2022. Parallely, HPPCL has also submitted a separate proposal to the State Government for restructuring of 'Debt /loan from GoHP'. As on date, both of these proposals are under active consideration of the State Government and the reply in this regard is awaited.

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 crore. This cost was earlier approved as Rs 4596.76 crore at March 2015 price level. Cost apportionment has been finalized with cost of water and power component as Rs. 6647.46 crore and Rs.299.53 crore respectively.

For Water component GoI will bear an expenditure of Rs. 5982.72 Crore and Rs. 664.74 Crore 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 6th 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 almost ready for the roads to the component of the project. HPPWD has completed survey works of roads to be widened/ excavated by it and the DPRs are 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 has carried out review of DPR and intends 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. To affect such changes in design, formation of a panel of geological experts is proposed which is under process. For the Project Management Consultant (PMC) online proposals/bid has been invited through Open-tendering on National Competitive Bidding (NCB) route on 28.09.2022. Pre-bid meeting was held on 14.10.2022 and queries have been replied. Date of receipt of bids has been extended upto 22.02.2023. PMC will be onboard by May 2023. Work on preparation of mining plan is underway. Diversion arrangement works are expected to start by January 2024.

2.76 Advances given to HPSEB Ltd., HPPTCL, I&PH, HPPWD, Fisheries Dept. 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.
- ❖ Amendment to contract sub-clause 13.8 of PCC and Attachment -III of the contract executed between M/S PEL and HPPCL in respect of Shongtong Karchham HEP on dated 17.09.2021 to the extent that w.e.f. September, 2020, the Linking

Factor=2.88 will be used for conversion of CPI number of new CPI-IW series 2016.

- ❖ Enhancement No. 2 to Change Order Variation -03 with respect to cover the cost of Haulage and dumping of muck beyond project area due to non-availability of dumping sites in the Shongtong Karchham project.
- ❖ Change Order/ variation Order no.05 with respect to cover the additional cost for the work of Installation of In-place Inclinometer.
- ❖ Change Order/ variation Order no.06 with respect to cover the additional cost for carrying out the work of Odex Drilling.
- ❖ Change Order/ variation Order no.07 with respect to cover the extra cost for carrying out additional hydraulic model study of Barrage and Power Intake.
- ❖ Change Order/ variation Order no.08 in respect of consultancy services rendered by M/s PEL for Design of additional hydraulic model study of Barrage, Intake and river training works etc.
- ❖ Change Order/ variation Order no.09 with respect to Design of niches in Power House and Transformer Hall cavern of Shongtong Karchham HEP.
- ❖ Change Order/ variation Order no.10 with respect to construction of benches/ platforms for installation of 2 no's 220/4 KV distribution Transformers near Adit -II to HRT.
- ❖ Amendment to contract sub-clause 13.8 of GCC of the contract executed between M/S PEL and HPPCL in respect of Kashang HEP II & III on dated 06.04.2022 to the extent that w.e.f. September, 2020, the Linking Factor=2.46 will be used for conversion of CPI number of new CPI-IW series 2016.

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 Renuka Ji 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. As on 17.02.2023, total limit exhausted /utilized against CCLs stands at Rs 9942.20 and Rs. 14821.40 respectively.

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-1200
- Sainj-1400
- Kashang I- 1300
- Kashang II & III- 2700 &2800
- Shongtong- 1600

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 HIMURJA vide its letter dt. 24.05.2022 intimated that, the proposal for setting solar projects of 153-162 MW capacity at different locations have been accepted by State Level Empowered Committee (SLEC) as per Swarn Jayanti Energy Policy, 2021 for installation of 150 MWac solar power plants. However the allotment will be subject to the conditions that, HPPCL will apply separately (project wise) in the prescribed application form. Application for 4 projects of 16 MW capacity have been got allotted from HIMURJA. Four new solar power projects have been assigned by HIMURJA to HPPCL in the financial year 2022-23 i.e. a) Mata Hateshwari SPP (5MW), hatkoti, teh Rohru, Shimla b) Shiv Nagar SPP (3.40 MW), Village Dib, Tehsil Jaisinghpur, Distt. Kangra c) Nadoli SPP, Gram Panchayat Dol, sub teh. Kotla, teh Jawali, at 3 locations (3.85 MW) d) Dol SPP, Gram Panchayat Dol, sub teh. Kotla, teh Jawali, at 3 locations (3.80 MW). Himachal Pradesh Power Corporation Limited is in process of identifying suitable lands to set up a 150 to 200 MW Solar Power Capacity in the State. Funds for the same have been designated under the Himachal Pradesh Power Sector Development Program.

2.84 HIMURJA vide its letter dated 04.02.2023 has intimated that the proposal for setting 9 more solar projects at different locations have been accepted by State Level Empowered Committee (SLEC) for installation of 150 MWac solar power plants. However the allotment will be subject to the conditions that, HPPCL will apply separately (project wise) in the application format along with processing with HIMURJA as per Swarn Jayanti Energy Policy 2021. The application form for registration and approval for setting of Solar Projects up to 5MW by State Level Empowered Committee (SLEC) where Govt. land is required wholly or

partly for the Solar Project has been prepared on the basis of HPERC guidelines, land and revenue papers as available.

The list of applications filed with HIMURJA is as under:-

S.No.	Name of proposed Project/ Proposed site.	Revenue paper collected by HPPCL (Hectare)	Tentative capacity (MW)	Proposed Project name for official correspondence	Remarks
1	Tihra Khas Sub tehBihru Kalan District Una	44.7179	22	Tihra Khas Solar Photovoltaic Project-II	In-principally approved by Himurja on 04.02.2023.
2.	Laam, Village Laam, Tehsil Una, District UNA	71.1886	36	Laam, Solar Photovoltaic Project.	In-principally approved by Himurja on 04.02.2023.
3	Lamlehdi Nichli, Tehsil Una, District UNA	106.4628	54	Lamlehdi Nichli Solar Photovoltaic Project.	In-principally approved by Himurja on 04.02.2023.
4	Pekhbella Sub Tehsil Bihru Kalan Distt Una.	112.48	65	Pekhbella Solar Photovoltaic Project.	Provisional application submitted with Himurja.
5	Aghlor Village Aghlor, Sub Tehsil Bihru Kalan Distt Una	34.04	17	Aghlor Solar Photovoltaic Project.	Application for approval of provisional allotment already submitted to HIMURJA.
6	Kayarian Village Kayarian, Tehsil Bangana, District UNA	22.1005	11	Kayarian Solar Photovoltaic Project.	Application for approval of provisional allotment already submitted to HIMURJA.

7	Lamlehdi Uparli, Tehsil Una, District UNA	94.71	47.10	Lamlehdi Uparli Solar Photovoltaic Project.	Application for approval of provisional allotment already submitted to HIMURJA.
8	Gondpur Vulla Uparla, Village Gondpur Vulla Uparla, Sub-Tehsil Dulehad, District UNA	27.2689	13.5	Gondpur Vulla Solar Photovoltaic Project.	Application for approval of provisional allotment already submitted to HIMURJA.
9	Santoshgarh Swan Up-Mohal Santoshgarh Swan, Sub-Tehsil Mehatpur Basdehra, District UNA	10.7500	5.5	Santoshgarh Swan Solar Photovoltaic Project.	Application for approval of provisional allotment already submitted to HIMURJA.

2.85 HPPCL is in process of identifying suitable locations for setting up of aggregate 150-200MW of Solar capacity by March 2028. Setting up of said 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. 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 out of the \$250 M USD HPPSDP program of which \$200 M USD shall come from the World Bank and \$ 50 M USD from GoHP. 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 have been received vide Bank's letter dated 31.10.2022. Pre-Loan Negotiations meeting is to be held on 17th Feb 2023 and final negotiations shall be completed by February, 2023. Further, loan signing with World Bank shall be done by March 2023.

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 thereafter, on 31.08.2022, CBI court passed its judgment 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, which was to be deposited within two weeks (till 21.09.2022), 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 till 21.09.2022 as ordered by the Court and also, 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 ratio 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. In this regard, legal aspects in the matter are being looked into. 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.

For and on behalf of Board of Directors


(B. L. Verma)

A.G.M (Finance)


(Sudershan K Sharma)

Consultant (Company Secretary)



(Dr. Amit K. Sharma)

Director (Finance)

DIN No.10071204



(Harikeśh 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: