



वार्षिक रिपोर्ट Annual Report 2022-2023

OUR SHARED VISION

25000 MW BY 2030

50000 MW BY 2040

ON MISSION OF

**12000 MW
BY 2026**



एसजेवीएन लिमिटेड
SJVN Limited

(A Joint Venture of Govt. of India & Govt. of H.P.)
A 'Mini Ratna' & Schedule 'A' PSU | An ISO 9001 : 2015 Certified Company

BOARD OF DIRECTORS



Nand Lal Sharma
Chairman & Managing Director

FUNCTIONAL DIRECTORS



Geeta Kapur
Director (Personnel)



Akhileshwar Singh
Director (Finance)



Sushil Sharma
Director (Electrical)

Govt. Nominee Directors



Ajay Tewari
Nominee Director (GoI)



Rajeev Sharma
Nominee Director (GoHP)

Independent Directors



Udeeta Tyagi
Independent Director



Saroj Ranjan Sinha
Independent Director



Danveer Singh Yadav
Independent Director



Shashikant Jagannath Wani
Independent Director



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Reference Information

Company Secretary	: Soumendra Das
Statutory Auditors	: M/s APT & Co LLP
Cost Auditors	: M/s A.J.S. & Associates, Cost Accountants
Secretarial Auditors	: Mr. Santosh Pradhan, Practicing Company Secretary
Registered & Corporate Office	: SJVN Corporate Office Complex, Shanana, Shimla - 171006
Shares Listed at	: Bombay Stock Exchange Limited (BSE) National Stock Exchange Limited (NSE)
Non-Convertible Debentures Listed at	: Bombay Stock Exchange Limited (BSE)
Depositories	: National Securities Depository Limited Central Depository Services (India) Limited
Debenture Trustee	: IDBI Trusteeship Services Limited
Bankers	: State Bank of India Punjab National Bank Bank of Baroda H.P. State Co-operative Bank IDBI Bank HDFC Bank Axis Bank AU Small Finance Bank Bandhan Bank Bank of India Canara Bank



THE BOARD OF DIRECTORS - BRIEF PROFILES

CHAIRMAN & MANAGING DIRECTOR

Sh. Nand Lal Sharma is the Chairman & Managing Director of SJVN. He is also the Chairman of SJVN Arun-3 Power Development Company Pvt. Ltd., Nepal, SJVN Thermal Private Limited, Bihar & SJVN Green Energy Limited.

Sh. Nand Lal Sharma holds MBA & M.Sc. degrees. He has done MBA from International Centre for Promotion of Public Enterprises (ICPE), University of LUBLIANA, Slovenia (Europe). He is also an alumni of Dr. Y. S Parmar University of Horticulture & Forestry Nauni, Solan, H.P. Krishna Vishwavidyalaya, Palampur.

Sh. Nand Lal Sharma started his career as an officer with the coveted Himachal Pradesh Administrative Services in 1989. During his tenure in HP Administrative Services, he held various key posts namely Asstt. Commissioner, Sub-Divisional Magistrate, Special Secretary (GAD), Director Ayurveda, Special Secretary (Health) and Secretary, HP State Electricity Board.

He joined SJVN in 2008 as Executive Director (HR). He was selected as Director (Personnel) SJVN and served this post w.e.f. 22nd March 2011 to November 2017. During his tenure in Human Resources, he envisaged and successfully implemented numerous HR initiatives. He was also the Chairman, SJVN Foundation responsible for planning and implementation of CSR programs of the company. He spearheaded the foundation with the firm belief that the growth of an organization is meaningful only when it is shared with the society.

Sh. Nand Lal Sharma took over as Chairman & Managing Director of SJVN in December 2017. He has steered SJVN towards exponential growth in India & abroad. Portfolio of the company expanded from around 5200 MW in 2017 to around 55,814.40 MW at present. He has played a pivotal role in expansion and diversification of SJVN in the fields of Hydro, Thermal, Solar, Wind, Transmission, Consultancy and Power Trading.

With more than 33 years of experience in administration and Power Sector, Sh. Sharma has an innate ability to turn challenges into opportunities. He has led SJVN towards realizing its Shared Vision of 5000 MW by 2023-24, 25000 MW by 2030 & 50000 MW capacity by 2040. Under his leadership, SJVN has transformed into fully diversified transnational company operating in all verticals of energy.

FUNCTIONAL DIRECTORS

Smt. Geeta Kapur, has been appointed as Director (Personnel) w.e.f. 18th October 2018. Prior to this, she held the post of General Manager (Human Resource) at SJVN Limited. Mrs. Kapur is a Post Graduate in Management from Himachal Pradesh, University, Shimla. She has more than 3 (three) decades of experience in core areas of Human Resource (HR), out of which 28 years in SJVN. She started her career with Punjab Wireless Systems (PUNWIRE) a Punjab State Industrial Development Corporation (PSIDC) owned concern in Mohali, Punjab. She was 1st woman officer to join the HR Team in 1986. She also happens to be the first woman Functional Director of the Company.

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

Shri Akhileshwar Singh has been appointed as Director (Finance) w.e.f. 6th January 2020. He holds Master of Business Administration (Finance) from Patna University. He has more than 35 years of experience in various organizations including SJVN. He started his career in the year 1987 with Hindustan Paper Corporation Ltd. He joined SJVN in 1993 as Sr. Officer (Finance) and worked in various departments and projects and rose to the level of Chief General Manager (Finance). During his tenure in Hindustan Paper Corporation Ltd., he worked at various Executive positions and completed various significant assignments. He was associated with Finance and Internal Audit.

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

Shri Sushil Sharma has been appointed Director (Electrical) w.e.f. 01st August 2020. Prior to this, Shri Sharma was holding the post of General Manager (Mechanical) in SJVN at 1500 MW Nathpa Jhakri Plant. Shri Sharma did his B.E. (Mechanical) from VNIT, Nagpur. He has more than 33 years of rich and varied experience in various organisations including SJVN. He started his career in H.P. State Technical Education Service in 1990. He joined SJVN in January, 1994 as Astt. Engineer and worked in various Departments / Projects and rose to the level of General Manager (Mechanical).

In SJVN, he was involved in the Design / Construction of 1500 MW Nathpa Jhakri Project and 412 MW Rampur HPS. He has a vast experience in Design, Erection and Maintenance of Hydro Power Plants. Initially he worked in the Design office of SJVN for about 19 years for Planning and Design of Hydro-Mechanical components of various projects. Later on he was involved in the successful Erection & Commissioning of 412 MW Rampur HPS. After Commissioning, he looked after the Maintenance of Electrical and Mechanical equipment of 412 MW Rampur Project. Subsequently, he was In-charge of Mechanical Maintenance of 1500 MW Nathpa Jhakri Project.



GOVERNMENT NOMINEE DIRECTORS

Shri Ajay Tewari, has been appointed as Nominee Director of Government of India on the Board of SJVN Limited w.e.f. 1st December 2022.

Shri Tewari is an Indian Administrative Service Officer of 1993 Batch. He is presently serving as Additional Secretary, Ministry of Power looking after Energy Conservation, Energy Transition, International Co-operation, Training & Research and Perspective Planning of Ministry of Power.

Mr. Ajay Tewari is B. Tech (Electrical Engineer) from Indian Institute of Technology and holds PG Diploma in Financial Management. Before joining Central deputation in the Ministry of Labour & Employment as Joint Secretary & Director General of Labour Welfare in the year 2018, he had served on many important administrative positions in the State of Assam and Meghalaya. Shri Ajay Tewari has wide range of experience of working in Finance, Education, Housing & Urban Affairs, Sports, Youth Welfare, General Administration, Revenue Administration, Disaster Management & Labour Welfare sectors.

Shri Ajay Tewari was born on August 5, 1970 and before joining Indian Administrative Service in the year 1993, he had also worked in Gas Authority of India Ltd. (GAIL) and Ordnance Factory, Nagpur for brief periods.

Shri Rajeev Sharma, Secretary (MPP & Power), has been appointed as the Nominee Director of Govt. of Himachal Pradesh on the Board of SJVN Limited w.e.f. 21.02.2023.

Mr. Sharma, is a 1989 batch, Himachal Pradesh Administrative Services (HPAS) Officer who was elevated as Indian Administrative Services (IAS) Officer from 2004. He holds Master's Degree in Botany from H.P. University and Master's in Business Administration (Public Policy) from Ljubljana University, Slovenia. In addition, he has acquired training and experience in diverse areas of Governance and Management from various prestigious educational and administrative Institutions of the country and abroad.

He is presently heading the MPP & Power, Non-Conventional Energy Sources, Ayush, Printing & Stationery and Youth Services & Sports departments in Himachal Pradesh State Government.

He is also serving as Nominee Director in the H.P. State Electricity Board Limited, H.P. Power Corporation Ltd., H.P. Power Transmission Corporation Ltd., Beas Valley Power Corporation Ltd., H.P. Beverages Ltd and Himachal Emta Power Limited.

During his career spanning over 37 years, he has served on many key administrative positions in Himachal Pradesh State Government, like Secretary – Education, Commissioner - Excise & Taxation, Director – Finance and Personnel Department, Director- Elementary Education, State Project Director - District Primary Education Program, Special Secretary - Public Works Department (PWD), Revenue Department, Disaster Management Department, Additional Director- Rural Development Department, Divisional Commissioner (Shimla Division) etc.

INDEPENDENT DIRECTORS

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

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

Shri Saroj Ranjan Sinha, has been appointed as Part-Time Non-Official Independent Director on the Board of SJVN Limited w.e.f. 8th November 2021. Shri Sinha is a Graduate from IEC University, Himachal Pradesh. He is a renowned and respected Public Activist and Social Worker from the State of Bihar who has led and participated in a number of campaigns for a Public Cause. His areas of service include Farmers Welfare and Agricultural Development, empowerment of Farmers to name a few. He has nearly 33 years' experience in Social and Public Service. He has also served as Former Governing Body Member - Indian Council of Agricultural Research Eastern Region Patna, Bihar and Former Member- Bihar State Seed and Organic Certification Agency. He has also been felicitated with the Innovative Farmer Award by Indian Agricultural Research Institute in 2017.

Dr. Danveer Singh Yadav, has been appointed as Part-Time Non-Official Independent Director on the Board of SJVN Limited w.e.f. 9th November 2021. Dr. Yadav served as Professor in KGK PG College, Moradabad and is presently serving as Principal, S.M. College, Chandausi, Sambhal. He holds a Master's Degree (1990) and Doctorate in Chemistry (1994) from Allahabad University. He has over 27 years of teaching experience in the Department of Chemistry. In addition, he has acquired training and experience in diverse areas of Management from various prestigious educational and administrative Institutions of the country. He has over 12 Research Papers published in the field of Organic Chemistry in International Journals to his credit. He also has written 7 Books in the field of Organic Chemistry.

Dr. Shashikant Jagannath Wani has been appointed as the Independent Director on the Board of SJVN Limited w.e.f. 13th March 2023. Shri Wani holds Diploma in Homeopathy & Biochemistry from State Council of Homeopathy, Madhya Pradesh.

He is Education institute director with over 20 years of experience at Shri Sainath Education Society & Shri Sadguru Vidya Vikas Sanstha. In his current role as a Chairman & Director at Shri Sainath Education Society, he is responsible for overseeing the day-to-day operations of the institute, developing and implementing strategic plans, managing budgets, and ensuring academic excellence. He also works closely with faculty and staff to create a positive learning environment for students. He is also Director at Dilawar Singh Dada Patpedhi, Taloda, Dist. Nandurbar and Shri Jogeshwari Farmer Producer Company. He has been awarded twice with "Khandesh Shikshan Ratna Puraskar" by Lokmat group.



SJVN's PROJECT PORTFOLIO

Sr. No.	Project	Installed capacity (MW)
PROJECTS UNDER OPERATION		
A.	Hydro	
1	Nathpa Jhakri HPS (HP)	1500
2	Rampur HPS (HP)	412
	Total for Hydro	1912
B.	Renewable	
1	Khirvire Wind PS (Maharashtra)	47.6
2	Sadla Wind PP (Gujarat)	50
3	Charanka Solar PV PP (Gujarat)	5.6
4	Solar PV Plant in NJHPS (HP)	1.3
5	Parasan Solar PP (UP)	75
	Total for Renewable	179.5
	Total under Generation	2091.5
C.	Transmission Line	
1	400 kV Transmission Line. Sursand (Nepal border) to Muzaffarpur (Bihar). (CPTC- JV- 26% share).	86 km
	Total for Transmission Line	86 km
PROJECTS UNDER CONSTRUCTION		
A.	Hydro	
1	Arun- III HEP (Nepal)	900
2	Naitwar Mori HEP (Uttarakhand)	60
3	Luhri HEP Stage-1 (HP)	210
4	Dhulasidh HEP (HP)	66
5	Sunni Dam HEP (HP)	382
	Total for Hydro	1618
B.	Thermal	
1	Buxar Thermal PP (Bihar)	1320
	Total for Thermal	1320
C.	Renewable	
1	Bagodara Solar PP (Gujarat)	70
2	SPP under CPSU scheme in Bikaner Rajasthan	1000
3	Gurhah Solar PP, UP	75
4	Gujrai Solar PP, UP	50
5	Raghnesda Solar PP (Gujarat)	100
6	Omkeswar Floating SPP, M.P	90
7	PSPCL SPP, Punjab	100
8	Floating SPP at Nangal Dam (BBMB)	15
	Total for Renewable	1500
	Total under Construction	4438
D.	Transmission Line	
1	Arun-3 Transmission, Nepal	217 km
2	Mori Snail Transmission Line, Ukd/ HP	37 km
	Total for Transmission Line	254 km
PROJECTS UNDER PRE-CONSTRUCTION		
A.	Hydro	
1	Jakhol Sankri HEP (Uttarakhand)	44
2	Lower Arun HEP (Nepal)	669
	Total for Hydro	713
B.	Renewable	
1	Jumai Solar PP in Bihar BREDA	125
2	Banka Solar PP in Bihar BREDA	75
3	BBMB Ground mounted Solar PP	18
4	GUVNL Phase-XIII SPP, Gujarat	100
5	GUVNL Phase-XIV SPP, Gujarat	260
6	Solar Power Project in Maharashtra- Phase-VII	200
7	Solar Power Project in Maharashtra- Phase-IX	200
8	GUVNL Phase- XVII SPP, Gujarat	200
9	GUVNL Phase-V Wind PP, Gujarat	100
10	LoI from PSPCL for 1200 MW, Punjab	1200
	Total for Renewable	2478
	Total under Pre-Construction	3191



PROJECTS UNDER S&I		
A.	Hydro	
1	Devsari HEP (Uttarakhand)	194
2	Luhri Stage-II HEP (HP)	228
3	Jangi Thopan Powari HEP (HP)	804
4	Purthi HEP (HP)	234
5	Bardang HEP (HP)	166
6	Reoli Dugli HEP (HP)	456
7	Sach Khas HEP (HP)	287
8	Rashil Tandi HEP (HP)	268
9	Arun-4 HEP, Nepal	490
10	Tindi SHEP- Chenab Basin	4.4
11	Chhoo SHEP-Chenab basin	3.5
12	Etalin HEP (Arunachal Pradesh)	3097
13	Attunli HEP (Arunachal Pradesh)	680
14	Emini HEP (Arunachal Pradesh)	500
15	Amulin HEP (Arunachal Pradesh)	420
16	Mihumdon HEP (Arunachal Pradesh)	400
	Total for Hydro	8231.9
B.	Thermal	
1	Buxar Thermal PP (Bihar)- 3rd Unit	660
	Total for Thermal	660
B.	Renewable	
1	Floating Solar Project, Maharashtra	105
2	Wind Power Project from SECI	100
3	RUVNL Solar PP, Rajasthan	100
4	Wind Power Project from SECI	200
	Total for Renewable	505
	Total under S&I	9,396.90
PROJECTS UNDER ALLOTMENT		
A.	Hydro	
1	Agoline HEP (Arunachal Pradesh)	235
2	Emra-I HEP (Arunachal Pradesh)	275
3	Emra-II HEP (Arunachal Pradesh)	390
4	Elango HEP (Arunachal Pradesh)	180
5	Etabue HEP (Arunachal Pradesh)	165
6	Sissiri HEP (Arunachal Pradesh)	100
7	Ithun I HEP (Arunachal Pradesh)	84
8	Ithun II HEP (Arunachal Pradesh)	48
9	Ashupani HEP (Arunachal Pradesh)	30
10	MoU signed with GRIDCO, Odisha for Hydro project	1000
	Total for Hydro	2507
B.	Renewable	
1	MoU with Govt. of Rajasthan	10000
2	MoU with Govt. of Assam	1000
3	MoU signed with GRIDCO, Odisha for Solar project	2000
4	MoU with Govt. of U.P.	3000
5	MoU with Maharashtra State Power Generation Company	5000
	Total for Renewable	21000
C.	Pumped Storage Projects	
1	Kolmondapada PSP, Maharashtra	800
2	Sidgarh PSP, Maharashtra	1500
3	Chornai PSP, Maharashtra	2000
4	Baitarni PSP, Maharashtra	1800
5	Jalvara PSP, Maharashtra	2220
6	Daizo Lui PSP, Mizoram	2400
7	Cherakhad PSP, H.P.	500
8	Dhurmu PSP, H.P.	1600
9	Purthi and Sach Khas PSP, H.P.	190
10	Dhaulasilidh (Sadda) PSP, H.P.	180
	Total for PSPs	13190
	Total under allotment	36697
GRAND TOTAL		55,814.40



SELECTED FINANCIAL INFORMATION*

		(₹ crore)				
		2022-23	2021-22#	2020-21	2019-20	2018-19
A.	Revenue					
	Revenue from operations(net)	2935.41	2421.96	2490.83	2707.61	2646.38
	Other Income	363.43	203.58	722.24	387.63	262.61
	Total Revenue	3298.84	2625.54	3213.07	3095.24	2908.99
B.	Expenses					
	Employees Benefits Expense	294.85	289.41	320.55	307.68	315.81
	Other Expenses	419.41	403.80	368.82	362.89	305.28
	Profit before depreciaton, finance cost , exceptional items,net movement in regulatory deferral account balance and tax	2584.58	1932.33	2523.70	2424.67	2287.90
	Depreciation and Amortization Expense	390.59	404.29	393.27	384.09	390.26
	Profit before finance cost, exceptional items, net movement in regulatory deferral account balance and tax	2193.99	1528.04	2130.43	2040.58	1897.64
	Finance Costs	432.23	161.34	(2.85)	268.07	235.33
	Profit before exceptional items, net movement in regulatory deferral account balance and tax	1761.76	1366.70	2133.28	1772.51	1662.31
	Exceptional Items (+) income (-) loss	(29.63)	(23.26)	(293.44)	(6.09)	(57.08)
	Profit before net movement in regulatory deferral account balance and tax	1732.13	1343.44	1839.84	1766.42	1605.23
	Tax (Net)	358.38	322.10	478.18	368.22	387.89
	Profit Before regulatory deferral account balances	1373.75	1021.34	1361.66	1398.20	1217.34
	Net movement in regulatory deferral account balance (net off tax)	(10.30)	(43.82)	271.38	159.23	146.95
	Profit after tax	1363.45	977.52	1633.04	1557.43	1364.29
	Other Comprehensive Income (Net of Tax)	(2.02)	(1.63)	(1.66)	(14.20)	(14.82)
	Total Comprehensive Income	1361.43	975.89	1631.38	1543.23	1349.47
	Dividend for the year (Accrual Basis)	695.58	668.07	864.56	864.56	844.91
	Dividend tax for the year (Accrual Basis)	-	-	-	137.32	173.68
	Dividend for the year (Cash Basis)	668.07	609.12	903.85	923.51	668.07
	Dividend Tax during the year (Cash Basis)	-	-	-	189.83	137.33
	Retained Profit	695.38	368.40	729.19	444.09	558.89
C.	Assets					
	Fixed assets(net block)					
	Property Plant & Equipment	7093.99	7290.62	7470.88	7569.38	7683.00
	Other Intangible assets	8.44	21.28	27.58	1.38	1.75
	Capital work-in-progress including Intangible Assets under Development	3028.69	2226.56	1206.78	944.88	765.46
	Total Fixed Assets (Net block)	10131.12	9538.46	8705.24	8515.64	8450.21
	Investments (Non-current Financial Asset)	5931.45	4921.88	3462.14	1972.99	1292.39
	Deferred Tax Assets (Net)	483.92	529.71	622.72	784.63	308.47
	Regulatory Deferral Account Debit Balance	796.12	808.60	861.70	532.87	339.93
	Other non-current assets including financial assets other than investments and assets held for sale	974.93	861.12	786.44	324.75	298.16
	Current assets	4812.76	4120.72	2425.33	3645.35	4231.49
	Total Assets	23130.30	20780.49	16863.57	15776.23	14920.65
D.	Liabilities					
	Non-current Borrowings	6395.12	4796.95	1855.68	1972.19	1940.46
	Other Non-current liabilities including Lease liabilities, financial liabilities and provisions other than borrowings.	831.26	841.57	857.75	882.71	887.25
	Current liabilities	2081.95	2013.36	1388.30	887.02	854.16
E.	Net-worth					
	Share Capital	3929.80	3929.80	3929.80	3929.80	3929.80
	Other Equity	9892.17	9198.81	8832.04	8104.51	7308.98
	Net-worth	13821.97	13128.61	12761.84	12034.31	11238.78
	Total Liabilities	23130.30	20780.49	16863.57	15776.23	14920.65
F.	Number of employees	1573	1418	1499	1564	1579
G.	Ratios					
	Return on net worth (%)	9.86%	7.45%	12.80%	12.94%	12.14%
	Book Value per Share (₹)	35.17	33.41	32.47	30.62	28.60
	Earnings per share (₹)	3.47	2.49	4.16	3.96	3.47
	Current ratio	2.31	2.05	1.75	4.11	4.95
	Debt to equity (including current maturities of long term borrowings)	0.52	0.42	0.17	0.19	0.19

* Standalone

Restated as per F.Y. 2022-23



SJVN LIMITED

CIN: L40101HP1988GOI008409

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

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

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

NOTICE

NOTICE is hereby given that the 35th Annual General Meeting of the Members of SJVN Limited will be held on **28th September 2023, Thursday at 15:00 HRS, through Video Conferencing (VC)/ Other Audio-Visual Means (OAVM)** to transact the following businesses: -

ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Standalone Financial Statements and Audited Consolidated Financial Statements for the Financial year ended 31st March, 2023, Directors' Report, Independent Auditors' Report and the comments thereon of the Comptroller & Auditor General of India, if any, and to pass the following resolution as an **Ordinary Resolution:**
"RESOLVED THAT, Audited Standalone Financial Statements and Audited Consolidated Financial Statements for the Financial Year ended 31st March, 2023, Directors' Report, Independent Auditors' Report and the comments thereon of the Comptroller & Auditor General of India, if any, be and are hereby received, considered and adopted."
- To confirm the payment of Interim Dividend of ₹1.15 per share of the Company already paid in Month of February 2023 and to declare the final dividend of ₹0.62/- per share on equity shares of the Company for the financial year 2022-23 and to pass the following resolutions as an **Ordinary Resolution:**
"RESOLVED THAT, the interim dividend @11.5% i.e. ₹1.15/- per share on 392,97,95,175 equity shares paid to the shareholders for the financial year ended March 31, 2023, as per the resolution passed by the Board of Directors at their meeting held on February 06, 2023 be and is hereby noted and confirmed."
"RESOLVED FURTHER THAT, in terms of the recommendation of the Board of Directors of the Company, the approval of the Members of the Company be and is hereby granted for payment of dividend @ 6.2% i.e. ₹0.62/- per share on 392,97,95,175 equity shares of the Company for the year ended March 31, 2023."
- To appoint a Director in place of Shri Akhileshwar Singh [DIN 08627576], who retires by rotation and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution:**
"RESOLVED THAT, Shri Akhileshwar Singh [DIN 08627576] be and is hereby re-appointed as Director of the Company liable to retire by rotation."
- To appoint a Director in place of Shri Sushil Sharma [DIN 08776440], who retires by rotation and being eligible, offers himself for re-appointment and to pass the following resolution as an **Ordinary Resolution:**
"RESOLVED THAT, Shri Sushil Sharma [DIN 08776440] be and is hereby re-appointed as Director of the Company liable to retire by rotation."

SPECIAL BUSINESS:

- Appointment of Shri Ajay Tewari as a Part Time Official Director- Government of India Nominee:**
To consider and, if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution:-**
"RESOLVED THAT, pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder, Regulation 17(1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment of Shri Ajay Tewari (DIN 09633300) who was appointed as a Part Time Official Director- Government of India Nominee of the Company w.e.f. 01st December 2022 by the President of India vide Ministry of Power, Government of India's order 15-22/9/2018-H-II dated 01.12.2022 in exercise of powers conferred under Article 32 of the Articles of Association of the Company be and is hereby approved."
- Appointment of Shri Rajeev Sharma as a Part Time Official Director-Government of Himachal Pradesh Nominee:**
To consider and, if thought fit, to pass with or without modifications, the following Resolution as an **Ordinary Resolution:-**
"RESOLVED THAT, pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder, Regulation 17(1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment of Shri Rajeev Sharma (DIN 06929504) who was appointed as a Part Time Official Director- Government of Himachal Pradesh Nominee of the Company w.e.f. 21st February 2023 by the President of India vide Ministry of Power, Government of India's order 15-22/1/2018-Hydel-II (MoP) dated 21.02.2023 in exercise of powers conferred under Article 32 of the Articles of Association of the Company be and is hereby approved."
- Appointment of Dr. Shashikant Jagannath Wani as Independent Director:**
To consider and, if thought fit, to pass with or without modifications, the following Resolution as a **Special Resolution:-**
"RESOLVED THAT, pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder, Regulation 17(1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment of Dr. Shashikant Jagannath Wani (DIN 09485642) as an Independent Director of the Company w.e.f. 13th March 2023 by the President of India vide Ministry of Power, Government of India's order 15-22/4/2021-Hydel-II dated 13.03.2023 in exercise of powers conferred under Article 32 of the Articles of Association of the Company be and is hereby approved."



8. Ratification of remuneration of Cost Auditor for Financial Year 2023-24:

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

"RESOLVED THAT, pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, the remuneration of ₹2,10,000/- plus GST as applicable, incurred in connection with the cost audit plus TA/DA to be paid to M/s A.J.S. & Associates, Cost Accountants, Rishikesh (Dehradun), Cost Auditors of the Company for the financial year 2023-24, as approved by the Board of Directors of the Company, be and is hereby ratified."

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

By order of the Board of Directors

(Soumendra Das)
Company Secretary
FCS-4833

Date: 9th August, 2023

Place: New Delhi

NOTES:-

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. **In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and pursuant to clarificatory General Circular numbers 14/2020, 17/2020, 20/2020, 02/2021, 02/2022 and 10/2022 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11, SEBI/HO/CFD/CMD2/CIR/P/2022/62 and SEBI/HO/CFD/PoD-2/P/CIR/2023/4 for Equity and Listed non-convertible securities issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC/OAVM, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM and deemed venue for the AGM shall be Registered Office of the Company.**
3. In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Regulation 44 (4) of the Listing Regulations will not be available for the AGM. Therefore, instrument for appointing proxy and attendance slip is not being attached herewith.
4. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013.
5. As required by Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the relevant details of **Shri Akhileshwar Singh [DIN 08627576] and Shri Sushil Sharma [DIN 08776440]** retiring by rotation and seeking re-appointment under items no. 3 & 4 of the Notice respectively are annexed. In exercise of powers vested under Articles of Association of the Company, Shri Akhileshwar Singh was appointed by President of India (acting through Ministry of Power) till the date of his superannuation or until further orders, whichever is earlier, and Shri Sushil Sharma was appointed for a period of 5 years from the date appointment or till date of superannuation or till further orders whichever is earlier.
6. None of the Directors of the Company are anywhere related with each other.
7. The Register of Members and Share Transfer Books of the Company will remain closed from **22nd September 2023 (Friday) to 28th September 2023 (Thursday)** (both days inclusive).
8. **The Board has recommended a Final Dividend @ ₹0.62 per share in its 307th meeting held on 22nd May 2023. The dividend, if declared, at the Annual General Meeting will be paid to those Members, whose names appear on the Register of Members of the Company at the closure of business hours of 21st September 2023 (Thursday).**
9. Subject to the provisions of Section 126 of the Companies Act, 2013, the Final Dividend on equity shares, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid within 30 days from the date of declaration.
10. Pursuant to Section 125 of the Companies Act, 2013, the dividend amounts which remain unpaid/ unclaimed for a period of seven years, are required to be transferred to the Investor Education & Protection Fund of the Central Government. Therefore, Members are advised to encash their Dividend warrants immediately on receipt.
11. Members are advised to submit their Electronic Clearing System (ECS) mandates to enable the company to make remittance by means of ECS. Those holding shares in Electronic Form may obtain and send the ECS Mandate Form directly to their Depository Participant (DP). Those holding shares in physical form may obtain and send the ECS mandate form to **Alankit Assignments Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi – 110055**, (the Registrar & Transfer Agent of the company), if not done earlier.
12. Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the documents in accordance with the provisions of the IT Act:



For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows: -

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

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2023-24 does not exceed Rs.5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above.

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

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member;
- Copy of Tax Residency Certificate (TRC) for the FY 2022-23 obtained from the revenue authorities of the country of tax residence, duly attested by member;
- Electronically Filed Form 10F on Income Tax Portal as per Notification No. 03/2022 dated 16th July 2022 issued by the Income Tax Department;
- Self-declaration by the member of having no permanent establishment in India in accordance with the applicable tax treaty;
- Self-declaration of beneficial ownership by the non-resident shareholder;
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) subject to beneficial provisions of the relevant Double Tax Avoidance Agreement ("DTAA/Treaty").

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Corporation/RTA, of the documents submitted by Non-Resident members.

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

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

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

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

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

The non-resident who does not have the permanent establishment is excluded from the scope of a specified person.

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

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

Further as per Section 139AA of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid/inoperative and he shall be liable to all consequences under the Act and tax shall be deducted at higher rates as prescribed under the Act.

Members holding shares under multiple accounts under different status/ category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in different accounts.

The aforementioned documents are required to be mailed to sjvn.dividend@sjvn.nic.in during the period commencing from September 04, 2023 and ending on September 25, 2023.

We request you to visit www.sjvn.nic.in for more instructions and information in this regard. No communication would be accepted from members after September 25, 2023 regarding the tax withholding matters.



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

13. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the Company or its Registrar & Transfer Agent along with relevant Share Certificates.
14. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, Bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,
 - a. For shares held in electronic form: to their Depository Participants (DPs);
 - b. For shares held in physical form: to the Company/Registrar and Transfer Agent in prescribed **Form ISR-1** and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated March 16, 2023. In the absence of any of the required documents in a folio, on or after October 1, 2023, the folio shall be frozen by the RTA. Intimation letters for furnishing the required details has been sent by the Company.
15. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/splitting of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed **Form ISR – 4**, the format of which is available on the Company's website at www.sjvn.nic.in. It may be noted that any service request can be processed only after the folio is KYC Compliant.
16. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
17. As per the provisions of Section 72 of the Act and SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website www.sjvn.nic.in. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are held in physical form.
18. Annual Listing fee for the year 2023-24 has been paid to the Stock Exchanges wherein shares of the Company are listed.
19. Members desirous of getting any information on any item of business of this meeting are requested to address their queries to the Company Secretary at least ten days prior to the date of the meeting, so that the information required can be made readily available at the meeting.
20. The annual report for 2022-23 along with the notice of Annual General Meeting is being sent by electronic mode to all the shareholders who have registered their Email IDs with the depository participants/ registrar and share transfer agent. Members may further note that the said documents will also be available on the Company's website www.sjvn.nic.in and notice will also be available at www.evotingindia.com for download. For any communication, the shareholders may also send requests to the Company's investor email ID viz. investor.relations@sjvn.nic.in.
21. Since the AGM will be held through VC/OVAM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.
22. All the documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company on all working days (barring Saturday and Sunday), between 11.00 AM to 5.00 PM up to one day prior to the date of AGM.

Instructions for Remote Electronic Voting

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, MCA circular no. 02/2021 dated January 13, 2021, MCA Circular no. 02/2022 dated May 05, 2022 and MCA Circular No. 10/2022 dated December 28, 2022. The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA/ SEBI Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.



5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.sjvn.nic.in. The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e., www.evotingindia.com.
7. The Company has appointed **Mr. Santosh Kumar Pradhan**, Practicing Company Secretary, as the scrutiner to scrutinize the remote e-voting process and casting vote through the e-voting system during the meeting in a fair and transparent manner.
8. The scrutiner will submit his final report on votes casted through remote e-voting process and casting vote through the e-voting system during the meeting to Chairman of the Company within three working days after the conclusion of e-voting period.
9. The results of annual general meeting shall be declared by the Chairman or his authorized representative or any Director of the Company on/ or after annual general meeting within the prescribed time limits.
10. The result of the e-voting will also be placed at the website of the Company viz. www.sjvn.nic.in and also on www.evotingindia.com.
11. The scrutiner's decision on the validity of e-voting will be final.

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

I. GENERAL INSTRUCTIONS:

1. The voting period begins at **09:00 a.m.** on **25th September, 2023** and ends at **5:00 p.m.** on **27th September, 2023**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **21st September, 2023** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
3. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting **to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

II. ACCESS THROUGH DEPOSITORIES CDSL/NSDL E-VOTING SYSTEM IN CASE OF INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT MODE:

1. In terms of SEBI circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users are required to login to Easi / Easiest are requested to visit CDSL website at www.cdslindia.com and click on login icon & New System Myeasi Tab. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.



Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select Register Online for IDeAS Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants (DP)	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 022-4886 7000 and 022-2499 7000

III. ACCESS THROUGH CDSL E-VOTING SYSTEM IN CASE OF SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE AND NON-INDIVIDUAL SHAREHOLDERS IN DEMAT MODE:

1. Login method for e-Voting and joining AGM for Physical shareholders and shareholders other than individual holding in Demat form:-

- i. The shareholders should log on to the e-voting website www.evotingindia.com.
- ii. Click on "Shareholders" module.
- iii. Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- vi. If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10-digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.



- vii. After entering these details appropriately, click on "SUBMIT" tab.
 - viii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - ix. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - x. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
 - xi. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
 - xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
 - xiii. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
 - xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - xv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
 - xvi. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - xvii. There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- 2. Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only:**
- i. Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - ii. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - iii. After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - iv. The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
 - v. It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - vi. Alternatively, Non-Individual shareholders are required mandatorily to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; investor.relations@sjvn.nic.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- IV. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**
1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
 2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
 3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
 4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
 5. Further, shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investor.relations@sjvn.nic.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **10 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at investor.relations@sjvn.nic.in. These queries will be replied to by the company suitably by email.
 8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
 9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
 10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- V. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES:**
1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to investor.relations@sjvn.nic.in.



2. For Demat shareholders-Please update your email id & mobile no. with your respective Depository Participant (DP).
3. For Individual Demat shareholders-Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at toll free no. **1800 22 55 33**.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call toll free no. **1800 22 55 33**.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

Item No.5:

Appointment of Shri Ajay Tewari as a Part Time Official Director- Government of India Nominee:

Shri Ajay Tewari (DIN 09633300) was appointed as a Part Time Official Director- Government of India Nominee of the Company by the President of India vide Ministry of Power, Government of India's order 15-22/9/2018-H-II dated 01.12.2022 in exercise of powers conferred under Article 32 of the Articles of Association of the Company.

The Company has received from Shri Ajay Tewari (i) Consent to Act as a Director in Form DIR – 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR-8 in terms of Rule 14(1) of Companies (Appointment & Qualifications of Directors) Rules, 2014 to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013.

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

Name	Shri Ajay Tewari
DIN	09633300
Date of Birth	05 th August, 1970
Date of Appointment	01 st December, 2022
Qualification	Shri Tewari is a B. Tech graduate from Indian Institute of Technology, Kanpur. He also holds PG Diploma in Financial Management.
Expertise in Specific Functional Area	Shri Tewari is an Indian Administrative Service Officer of 1993 Batch. He is presently serving as Additional Secretary, Ministry of Power looking after Energy Conservation, Energy Transition, International Co-operation, Training & Research and Perspective Planning of Ministry of Power. Before joining Central deputation in the Ministry of Labour & Employment as Joint Secretary & Director General of Labour Welfare in the year 2018, he had served on many important administrative positions in the State of Assam and Meghalaya. Shri Ajay Tewari has wide range of experience of working in Finance, Education, Housing & Urban Affairs, Sports, Youth Welfare, General Administration, Revenue Administration, Disaster Management & Labour Welfare sectors. Before joining Indian Administrative Service in the year 1993, he had also worked in Gas Authority of India Ltd. (GAIL) and Ordnance Factory, Nagpur for brief periods.
Directorship held in other Listed Companies	One
Names of other Listed Entities in which the person holds the membership of the Committees.	1. Power Finance Corporation Limited.
Name of listed entities from which the person has resigned in the past three years	Nil
Relationships Between Directors, Managers or KMP Inter-se	Nil
Number of Shares held in SJVN Limited as on 31.03.2023, including shareholding as a beneficial owner	Nil
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	In exercise of powers vested under Article 31 & 32 of Articles of Association of the Company, one Part-Time Official Director is nominated and appointed by President of India, acting through Ministry of Power, Government of India. Accordingly, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements are determined by the President of India, acting through Ministry of Power, Government of India.



The Resolution seeks the approval of members in terms of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder, Regulation 17(1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment of Shri Ajay Tewari as a Government of India Nominee Director of the Company, not liable to retire by rotation.

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

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

Item No.6:

Appointment of Shri Rajeev Sharma as a Part Time Official Director-Government of Himachal Pradesh Nominee:

Shri Rajeev Sharma (DIN 06929504) was appointed as a Part Time Official Director-Government of Himachal Pradesh Nominee of the Company by the President of India vide Ministry of Power, Government of India's order 15-22/1/2018-Hydel-II (MoP) dated 21.02.2023 in exercise of powers conferred under Article 32 of the Articles of Association of the Company.

The Company has received from Shri Rajeev Sharma (i) Consent to Act as a Director in Form DIR – 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) Intimation in Form DIR-8 in terms of Rule 14(1) of Companies (Appointment & Qualifications of Directors) Rules, 2014 to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013.

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

Name	Shri Rajeev Sharma
DIN	06929504
Date of Birth	15 th October, 1963
Date of Appointment	21 st February, 2023
Qualification	Mr. Sharma holds Master's Degree in Botany from H.P. University and Master's in Business Administration (Public Policy) from Ljubljana University, Slovenia.
Expertise in Specific Functional Area	Mr. Sharma, is a 1989 batch, Himachal Pradesh Administrative Services (HPAS) Officer who was elevated as Indian Administrative Services (IAS) Officer from 2004. He has acquired training and experience in diverse areas of Governance and Management from various prestigious educational and administrative Institutions of the country and abroad. He is presently heading the MPP & Power, Non-Conventional Energy Sources, Ayush, Printing & Stationery and Youth Services & Sports departments in Himachal Pradesh State Government. He is also serving as Nominee Director in the H.P. State Electricity Board Limited, H.P. Power Corporation Ltd., H.P. Power Transmission Corporation Ltd., Beas Valley Power Corporation Ltd., H.P. Beverages Ltd. and Himachal Emta Power Limited. During his career spanning over 37 years, he has served on many key administrative positions in Himachal Pradesh State Government, like Secretary – Education, Commissioner - Excise & Taxation, Director – Finance and Personnel Department, Director- Elementary Education, State Project Director - District Primary Education Program, Special Secretary - Public Works Department (PWD), Revenue Department, Disaster Management Department, Additional Director- Rural Development Department, Divisional Commissioner (Shimla Division) etc.
Directorship held in other Listed Companies	Nil
Names of other Listed Entities in which the person holds the membership of the Committees.	Nil
Name of listed entities from which the person has resigned in the past three years	Nil
Relationships Between Directors, Managers or KMP Inter-se	Nil
Number of Shares held in SJVN Limited as on 31.03.2023, including shareholding as a beneficial owner	Nil



The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	<p>In exercise of powers vested under Article 31 of Articles of Association of the Company, one part-time official Director is nominated by the Governor of the State of Himachal Pradesh acting through the concerned Administrative Department of the Government of Himachal Pradesh and in pursuance of Article 32 of Articles of Association of the Company such nominee is appointed by the President of India, acting through Ministry of Power, Government of India.</p> <p>Accordingly, the skills and capabilities required for the role and the manner in which the proposed person meets such requirements are determined by the Nominating and Appointing Governments stated above.</p>
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The Resolution seeks the approval of members in terms of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder, Regulation 17(1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment of Shri Rajeev Sharma as a Government of Himachal Pradesh Nominee Director of the Company, not liable to retire by rotation.

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

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

Item No.7:

Appointment of Dr. Shashikant Jagannath Wani as Independent Director:

Dr. Shashikant Jagannath Wani (DIN 09485642) was appointed as an Independent Director of the Company by the President of India vide Ministry of Power, Government of India's order 15-22/4/2021-Hydel-II dated 13.03.2023 in exercise of powers conferred under Article 32 of the Articles of Association of the Company.

The Company has received from Dr. Shashikant Jagannath Wani (i) Consent to Act as a Director in Form DIR – 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, (ii) Intimation in Form DIR-8 in terms of Rule 14(1) of Companies (Appointment & Qualifications of Directors) Rules, 2014 to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013 and (iii) A Declaration to the effect that he meets the criteria of independence as specified in Section 149 (6) of the Companies Act, 2013.

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

Name	Dr. Shashikant Jagannath Wani
DIN	09485642
Date of Birth	12 th January, 1964
Date of Appointment	13 th March, 2023
Qualification	Dr. Wani is a Diploma in Homeopathy & Biochemistry, State Council of Homeopathy, Madhya Pradesh.
Expertise in Specific Functional Area	<p>Dr. Shashikant Jagannath Wani has been appointed as Part-Time Non-Official Independent Director on the Board of SJVN Limited w.e.f. 13th March 2023.</p> <p>He is director in education institute with over 20 years of experience at Shri Sainath Education Society & Shri Sadguru Vidya Vikas Sanstha. In his current role as a Chairman & Director at Shri Sainath Education Society, he is responsible for overseeing the day-to-day operations of the institute, developing and implementing strategic plans, managing budgets, and ensuring academic excellence. He also works closely with faculty and staff to create a positive learning environment for students. He is also Director at Dilawar Singh Dada Patpedhi, Taloda, Dist. Nandurbar and Shri Jogeshwari Farmer Producer Company.</p> <p>He has been awarded twice with "Khandesh Shikshan Ratna Puraskar" by Lokmat group.</p>
Directorship held in other Listed Companies	Nil
Names of other Listed Entities in which the person holds the membership of the Committees	Nil
Name of listed entities from which the person has resigned in the past three years	Nil
Relationships Between Directors, Managers or KMP Inter-se	Nil
Number of Shares Held in SJVN Limited as on 31.03.2023, including shareholding as a beneficial owner	Nil



The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	In exercise of powers vested under Articles 32 of Articles of Association of the Company, the Administrative Ministry i.e. Ministry of Power appoints Independent Directors on the Board of the Company on the basis of recommendations of a high-level Search Committee constituted by the Government of India for the purpose. The skills and capabilities required for the role and the manner in which the proposed person meets such requirements are determined by the Ministry of Power in consultation with Search Committee.
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The Resolution seeks the approval of members in terms of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, rules made thereunder, Regulation 17(1C) and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for appointment of Dr. Shashikant Jagannath Wani as an Independent Director of the Company, not liable to retire by rotation.

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

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

Item No. 8

Ratification of remuneration of Cost Auditor for Financial Year 2023-24

The Board, on the recommendation of the Audit Committee has, vide its meeting dated 22nd May, 2023 has approved the re-appointment and remuneration of M/s A.J.S. & Associates, Cost Accountants, Rishikesh (Dehradun), as the Cost Auditors to conduct the audit of the cost accounts and records maintained by the Company for the financial year 2023-24.

In accordance with Section 148 read with Companies (Audit and Auditors) Rules 2014, the remuneration payable to Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of members is sought for passing an Ordinary Resolution as set out at item no. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2023-24.

None of the Directors or Manager or Key Managerial Personnel of the Company or their relatives are, in any way concerned or interested, financially or otherwise, in the resolution set out at item no. 8 of the Notice.

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



**BRIEF RESUME OF THE DIRECTORS SEEKING RE-ELECTION
AT THE 35TH ANNUAL GENERAL MEETING**

Name	Mr. Akhileshwar Singh	Mr. Sushil Sharma
DIN	08627576	08776440
Date of Birth	11 th December, 1964	03 rd August, 1966
Date of Appointment	06 th January, 2020	01 st August, 2020
Qualification	Master of Business Administration (Finance) from Patna University.	B.E. (Mechanical) from VNIT, Nagpur.
Expertise in Specific Functional Area	<p>Shri Akhileshwar Singh has more than 35 years of experience in various organizations including SJVN. He started his career in the year 1987 with Hindustan Paper Corporation Ltd. He joined SJVN in 1993 as Sr. Officer (Finance) and worked in various departments and projects and rose to the level of Chief General Manager (Finance). During his tenure in Hindustan Paper Corporation Ltd., he worked at various Executive positions and completed various significant assignments. He was associated with Finance and Internal Audit.</p> <p>In SJVN, he worked at various positions and completed various significant assignments including Buyback of Shares. He worked in various sections of Finance, Commercial & System Operation, HOD (Finance) of LHEP, HOD (Internal Audit), CFO, SAPDC Nepal and as Chief General Manager (Finance) of Corporate Headquarters, Shimla. He has been also appointed as Chief Financial Officer of SJVN w.e.f. 27th November 2019. He is responsible for all legal and statutory compliance as Key Managerial Personnel including vetting of all proposals and agendas for Board and Committee Meetings.</p>	<p>Shri Sushil Sharma has more than 33 years of rich and varied experience in various organizations including SJVN. He started his career in H.P. State Technical Education Service in 1990. He joined SJVN in January, 1994 as Astt. Engineer and worked in various Departments / Projects and rose to the level of General Manager (Mechanical).</p> <p>In SJVN, he was involved in the Design/Construction of 1500 MW Nathpa Jhakri Project and 412 MW Rampur HPS. He has a vast experience in Design, Erection and Maintenance of Hydro Power Plants. Initially he worked in the Design office of SJVN for about 19 years for Planning and Design of Hydro-Mechanical components of various projects. Later on he was involved in the successful Erection & Commissioning of 412 MW Rampur HPS. After Commissioning, he looked after the Maintenance of Electrical and Mechanical equipment of 412 MW Rampur Project. Subsequently, he was In-charge of Mechanical Maintenance of 1500 MW Nathpa Jhakri Project.</p>
Directorship held in other Listed Companies.	NIL	NIL
Names of other Listed Entities in which the person holds the membership of the Committees.	NIL	NIL
Name of listed entities from which the person has resigned in the past three years	NIL	NIL
Relationships Between Directors, Managers or KMP Inter-se	NIL	NIL
Number of Shares held in SJVN Limited as on 31.03.2023, including shareholding as a beneficial owner	NIL	1000
The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	<p>The functional directors of the company are selected by Public Enterprises Selection Board (PESB) and appointed by Government of India acting through the Ministry of Power.</p> <p>The skills and capabilities required for the role and the manner in which the proposed person meets such requirements are determined by the Public Enterprises Selection Board (PESB)/ Ministry of Power.</p>	<p>The functional directors of the company are selected by Public Enterprises Selection Board (PESB) and appointed by Government of India acting through the Ministry of Power.</p> <p>The skills and capabilities required for the role and the manner in which the proposed person meets such requirements are determined by the Public Enterprises Selection Board (PESB)/ Ministry of Power.</p>



CHAIRMAN'S LETTER TO THE SHAREHOLDERS



ON MISSION OF
12000 MW
BY 2026



CHAIRMAN'S LETTER TO THE SHAREHOLDERS

Dear Shareholders,

I consider it my privilege and honor to address our valued shareholders and present the Annual Report of the Company for the financial year 2022-23.

As I look back and recollect the achievements of the Company ever since I was entrusted with the task of leading this esteemed organization, I am filled with overwhelming feelings of pride and joy with the progress, performance, and position of the Company over the last few years. I also find myself optimistic and energized by the golden future that lies ahead.

Cruising ahead towards our cherished **Shared Vision for achieving 5,000 MW by 2023-24, 25,000 MW by 2030 and 50,000 MW by 2040**, your Company continues to expand, grow and diversify its Project Portfolio exponentially pan India and abroad.

On completion of yet another exemplary year, the Audited Financial Statements of the company along with the Reports of the Auditors and Directors for the year 2022-23 are presented for your approval. Also, I take this opportunity to share with you the company's achievements and future plans.

HIGHLIGHTS OF THE YEAR 2022-23

Dear Friends,

Keeping in mind the economic challenges being faced across the globe, it gives me great satisfaction and pride to announce that the company has achieved excellent results not just financially but also on operational as well as business expansion fronts.

Financial Year 2022-23 would be remembered as one of the most momentous year in the history of the Company as SJVN created numerous records and has achieved a number of significant milestones during this period. Our decisive actions, innovative measures, pro-active management and sustained efforts over the past few years have started yielding the visible results.

OPERATIONAL PERFORMANCE

Dear Shareholders,

Our Power Stations are catalyst of our growth and have consistently delivered exceptional performance. This is the result of unparalleled efforts of our employees and best-in-class O&M practices that we have emerged as a record-setter in power generation year after year. They are the engines that propel our growth plans and generate revenues & profits which in turn sustain and mobilize other resources of the Company contributing towards the attainment of "24 X 7 Power for All" vision of our Hon'ble Prime Minister Sh. Narendra Modi.

Despite significantly low water discharge and below-normal wind flow during the financial year 2022-23, our Power Stations have been able to perform reasonably well. The Plant Availability Factor remained at an optimum level in all our operational Power Stations. **Surpassing the total Design Energy of 8705 Million Units, our Power Stations generated 9335 Million Units of energy** which is **Third Highest Generation ever achieved** by the Company.

Continuing the record-breaking spree, our Power Stations created many milestones and records during the year. Nathpa

Jhakri Hydro Power Station achieved the **Highest ever PAF of 106.653%**. Nathpa Jhakri and Rampur Hydro Power Stations have achieved the **Highest ever Single Day Generation of 39.526 MU and 10.9082 MU** respectively during the year. The total generation recorded from all operational Power Stations for September month of FY 2022-23 is 1338.5 MU which is the **Highest ever Generation achieved in September** month. Charanka SPS has achieved the **Highest ever Yearly Generation** of 8.75 MU. The total earning from Deviation Settlement Mechanism during the year is ₹ 43.63 crores, which is the **Second Highest in the last 5 years**. The total generation recorded from all operational Power Stations for the Q4 and Q3 of FY 2022-23 is 863 MU and 1407 MU respectively which is the **Second Highest for the respective Quarter**.

FINANCIAL PERFORMANCE

My Dear Friends,

Your Company has clocked the **Highest ever Income from Operations of ₹2935.41 crores** during the financial year 2022-23 which is an increase of ₹513.45 crores over the earnings of previous fiscal. **The Total Revenue of the Company has touched a Record High of ₹3298.84 crores** which is an increase of ₹673.30 crores compared to ₹2625.54 crores earned during the previous year. The standalone **Profit After Tax (PAT) increased by ₹385.93 crores to ₹1363.45 crores** against ₹977.52 crores for the previous year.

An **Interim dividend of ₹1.15 per share** was paid in the month of February 2023. In addition, your Board has recommended a Final dividend of ₹0.62 per share. Thus, subject to your approval, a **Total dividend of ₹1.77 per share** is proposed to be paid for the financial year 2022-23.

Trade receivables during the FY 2022-23 is 35 days against the MOU target of 45 days which is the **Best ever performance of the Company till date**.

BUSINESS EXPANSION

Dear Shareholders,

From the Business Expansion perspective, Financial Year 2022-23 has cast its place as the **Most Significant year in the History of the Company** during which our Project Portfolio took a quantum leap and scaled astronomical heights.

Since the last annual report, **24 Projects aggregating 23,909 MW** have been added to the portfolio of the company. **This is the Highest Portfolio addition since the incorporation of the Company.**

The **Project Portfolio of SJVN & its associate Companies now stands at an All-time High with 79 Projects aggregating 55814 MW & 3 Transmission lines totaling 340 Kms** spread across 13 States and 2 countries of Indian sub-continent.

The complete details of the Project Portfolio is provided in the Annual Report, hence I would only like to summarize for our shareholders that as on date:-

- 2 Hydro Plants of 1912 MW & 5 Renewable Plants of 179.5 MW and 1 Transmission line of 86 km are Operational;
- 5 Hydro Projects of 1618 MW, 1 Thermal Project of 1320 MW, 8 Renewable Projects of 1500 MW and 2



- Transmission lines of 254 kms are under Construction;
- 2 Hydro Projects of 713 MW and 10 Renewable Projects of 2478 MW are in the Pre-Construction stage;
- 16 Hydro Projects of 8231.9 MW, 1 Thermal Unit of 660 MW and 4 Renewable Projects of 505 MW are under Survey and Investigation.

For the current financial year, projects of 1455 MW and a Transmission Line of 37 km are in pipeline for commissioning. In the next three fiscals, annual revenue of more than Rs.10,000 crores are expected to be generated from the operational Power Stations.

In addition, as a part of its long-term Corporate Strategy, SJVN and its associate Companies have entered into a series of Memorandums of Understanding with various Government and Non-Governmental agencies for allotment of the projects. Such Projects under Allotment include 10 Hydro Projects of 2507 MW, 5 Renewable Project of 21,000 MW and 10 Pumped Storage Projects of 13,190 MW.

It gives me great satisfaction to share with our shareholders that, the complete blue-print for accomplishing our **Shared Vision of achieving 5,000 MW by 2023-24, 25,000 MW by 2030 and 50,000 MW by 2040** has been elaborately charted out. I take great pride in stating that my Vision for this Company which was once thought to be unrealistic by some skeptics is now being translated into a tangible reality. It is all due to the relentless efforts of my team of extremely competent people, unwavering faith and co-operation of my colleagues on the Board and trust of our Shareholders & Investors.

PROJECT EXECUTION

Dear Shareholders,

Displaying remarkable perseverance, the progress of our under-construction projects is on track despite some geographical and climatic challenges & surprises. The detailed status and progress of the Power Stations and Projects have been amply covered in the Directors' Report. Hence, I am only highlighting some noteworthy accomplishments.

In 2022-23, we were given the mammoth **CAPEX target of ₹ 8000 crores which was the third highest amongst all the power CPSEs**. However, it is a matter of great pride that your Company has not just attained but surpassed the assigned target with flying colors and has **achieved Record CAPEX of ₹8,240 crores during the year**.

75 MW Parasan SPP was commissioned on 22.11.2022 and is under commercial operation. The installed capacity of the Company has been enhanced to 2091.5 MW (07 Power Stations).

Hon'ble President of India has laid the foundation stone of 1000 MW Bikaner SPP on 03.01.2023. Investment approval for 382 MW Sunni Dam HEP was accorded by Government of India in January 2023 and award of major works (Civil & HM) was completed in the same month. Investment approval for pre-construction activities of 234 MW Purthi HEP & 456 MW Reoli Dugli HEP was accorded by Ministry of Power in December 2022. Financial closures of the 66 MW Dhaulasidh HEP, 70 MW Bagodara SPP and 1000 MW Bikaner SPP were achieved during the year. Company has also secured green finance of ₹ 915 crores from Japan Bank for International Cooperation to fund 90 MW Omkareshwar Floating SPP and 100 MW Raghnesda SPP.

SJVN's advocacy for 'One Basin, One Developer' approach for Integrated River Basis Development for optimum utilization of resources has found widespread acceptance and support not only within the country but also internationally and is now part of hydro development policies of many State Governments & Government of India as well as Government of Nepal. In this sequence, MoU for 490 MW Arun-4 HEP was signed in the august presence of Hon'ble Prime Ministers of India and Nepal on 16th May 2022. Investment approval for pre-construction activities of Arun 4 HEP, Nepal has been accorded by Ministry of Power, Government of India in December 2022.

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

OTHER DEVELOPMENTS

Dear Shareholders,

SJVN has been selected as 4th Renewable Energy Implementing Agency in addition to SECI, NTPC and NHPC by Government of India.

The excellence and accomplishments of your Company and Management have been recognized and rewarded by different institutions at various forums. Some of the major awards conferred upon the Company during the reporting period include - **CBIP Award for Best Performing Utility in Hydro Power Sector; Achievement Award for creating Social Development and Impact and CIDC Partners in Progress Trophy** at 14th CIDC Vishwakarma Awards, 2023; **Greentech International Environment, Health & Safety Best Practices Award, 2023; Most Progressive Growth Oriented Company** in the Midcap Category by Dalal Street Investment Journal for the year 2022; **Greentech Award for Outstanding Achievements In Environment Protection; Gold Awards in 12th Exceed Environment, HR & CSR Awards, 2022** for Mobile Health Van services and for extensive efforts in the preservation of Environment etc.

RISK MANAGEMENT

It is a matter of pride for us that your **Company has obtained ISO 31000:2018 certification for implementation of Risk Management System** in November 2022 and it has become the **First CPSE to implement ISO 31000:2018 for Risk Management System**.

The Company has upgraded and implemented a robust Risk Management Framework as per ISO 31000:2018 comprising of elaborate Risk Management Policy, Plans and Procedures for Risk identification, assessment, mitigation, review, reporting, preventive actions & continuous improvement, training and awareness programmes etc.

CORPORATE SOCIAL RESPONSIBILITY

SJVN has always been at the forefront of its role as a responsible corporate citizen and has been pioneering Corporate Social Responsibility (CSR) activities for its stakeholders and society.

SJVN has formulated and adopted a dynamic CSR & Sustainability Policy, which is in consonance with the Companies Act, 2013 and CSR guidelines issued by the Department of Public Enterprises, Government of India. Time to time, the policy is revisited to include revised government



guidelines and provisions. Till now, the policy has been updated four times, latest being in December 2022.

During financial year 2022-23, the Company has spent a total amount of ₹59.84 crores on CSR activities which is ₹23.38 crores more than the statutory obligation of ₹36.46 crores. Since inception, SJVN has spent more than ₹340 crores on various CSR activities in the verticals of health & hygiene, education & skill development, women empowerment, infrastructure development, community development, promotion of culture, sustainable development, assistance during natural disasters, protection of heritage etc.

The particulars of our CSR initiatives & impact assessment thereof are detailed in the Annual Report.

CORPORATE GOVERNANCE

Your company believes in the importance of developing a robust governance framework and embracing best governance practices. As a listed company, SJVN has been complying with the requirements of Corporate Governance under the SEBI LODR Regulations and also Guidelines issued by Department of Public Enterprises, Government of India.

Your Company takes pride in its **consistent record of achieving “Excellent” ratings every year ever since its listing**, for Compliance with ‘DPE Guidelines on Corporate Governance’ under the ‘Corporate Governance Grading System’ prescribed by DPE.

HIGHLIGHTS OF THE YEAR 2023-24

Dear Friends,

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

Due to abnormal climatic factors, company's flagship hydro Power Stations had to deal with exceptionally low water flows during FY 2023-24. Notwithstanding the conditions beyond our control, we have ensured the best plant availability which is in our hands. In the first quarter of the Financial Year 2023-24, our Power Stations have generated 2107 MU out of which, NJHPS generated 1564 MU, RHPS generated 442 MU and Renewable Power Stations have generated a total of 101 MU till 30th June 2023.

A new all-time high record of 50.534 MU in Single-Day power generation has been set by our two flagship hydro Power Stations in Himachal Pradesh. 1500 MW Nathpa Jhakri Hydro Power Station has set a new record with 39.570 MU and 412 MW Rampur Hydro Power Station with 10.971 MU energy generation in a single day. Also, 50 MW **Sadla Wind Power Station has achieved the Highest ever June month's generation of 15.039 MU** breaking the previous record of 11.119 MU in fiscal 2021-22.

Amongst other major developments during the current fiscal, Government of Arunachal Pradesh has allotted five hydro projects totalling 5097 MW namely 3097 MW Etalin, 680 MW Attunli, 500 MW Emini, 420 MW Amulin and 400 MW Mihumdon Hydro Electric Projects to SJVN.

Public Investment Board meeting for Investment approval of 669 MW Lower Arun HEP was held in May 2023. The Project Development Agreement for the project has been signed with Investment Board of Nepal, Government of Nepal in the benign presence of Hon'ble Prime Minister of India, Sh.

Narendra Modi and Prime Minister of Nepal, Sh. Pushpa Kamal Dahal on 1st June 2023.

Power Purchase Agreements have been signed for 200 MW Solar Power Project Capacity with Maharashtra State Electricity Distribution Company Limited and with Solar Energy Corporation of India Limited for 100 MW Wind Power Capacity. Power Usage Agreement for supply of 500 MW Solar power from ongoing 1000 MW Bikaner SPP has been signed with Punjab State Power Corporation Limited.

The Company has signed key MOUs during current financial year including MoU with - REC Limited for financing the projects of the Company and its Subsidiaries & Joint Ventures to the extent of ₹50,000 crores; and with Government of Goa for development of Renewable Energy, Hydro Power Projects, PSPs and Ocean floating Solar Projects in the state.

Letter of Intent for 100 MW Grid connected Wind Power Project in Gujarat has been received from Gujrat Urja Vikas Nigam Limited on 4th June 2023. The Company has bagged another 200 MW Grid connected Wind Power Project from SECI. Letter of Intent has also been received from the PSPCL for procurement of 1200 MW of solar power.

MACRO ECONOMIC SCENARIO AND GOVERNMENT INITIATIVES

India's growth continues to be resilient as it was rated as the fastest-growing major economy during FY 2022-23. The country's GDP has reached \$3.75 trillion in 2023, from around \$2 trillion in 2014; moving from 10th largest to 5th largest economy in the world. India is now being called a Bright Spot in the global economy. Indian economy in FY23 has nearly “recouped” what was lost, “renewed” what had paused, and “re-energized” what had slowed during the pandemic and since the conflict in Europe.

A range of pragmatic and transformational policies of the government, which continued through the pandemic helped catalyze a sharp economic recovery. The growth that India is witnessing, apart from the CAPEX push by the government, is coming from healthy balance sheets of the corporates and a well-capitalized financial system.

Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 gave relief to the DISCOMs, as well as electricity consumers and at the same time generating companies are also benefiting from assured monthly payments, which will help the whole power sector to become financially viable.

For removing the barriers in availability and utilization of renewable energy and to address the issues that have hindered the growth of open access for a long time, Green Open Access Rules, 2022 have been issued. The Rules reduce the Open Access limit from 1 MW to 100 kW, which paved the way for small consumers to purchase renewable energy and there is no limit for captive consumers.

Revised scheme for flexibility in generation and scheduling of Thermal/Hydro Power Station through bundling with renewable energy and storage power is showing its positive impact.

Dispute Avoidance Mechanism for avoidance/ resolution of contractual disputes at initial stage by engagement of an Independent Engineer and Dispute Resolution Mechanism for resolution of disputes through Conciliation Committees have been devised by Ministry of Power.

These transformative reforms and initiatives in recent years have propelled forward the nation on its journey to achieve



its twin goals of universal access to affordable power and acceleration of clean energy transition.

FUTURE PROSPECTS

My Dear Friends,

The GDP growth figures in 2022-23 reflect the resilience of the Indian economy amidst global challenges. In global scenario, the inflation has begun to slow down in both developed and emerging economies. In FY 2023-24 this growth will be supported by solid domestic demand and pickup of capital investment. Compensating for private sector's caution in capital expenditure, government has substantially raised the capital expenditure.

The CAPEX target for SJVN for FY 2023-24 has been set once again to a historic high of Rs.10,000 crore and the Company is geared up to accomplish the same.

FY 2023-24 shall be especially significant as **Projects totaling 1455 MW are lined up for commissioning and commencement of commercial operations** during the year which include - 60 MW Naitwar Mori HEP, one unit of 660 MW of Buxar TPP, 250 MW (Phase-1) of Bikaner SPP, 100 MW Raghnesda SPP, 100 MW Pojewal & Rurki SPP, 90 MW Omkareshwar floating SPP, 75 MW Gurhah SPP, 70 MW Bagodara SPP and 50 MW Gujrai SPP. In addition, Double Circuit 220 kV Mori Snail Transmission Line in Uttarakhand & Himachal Pradesh is also expected to be commissioned during the year.

As a premier power utility, SJVN is spearheading the current transformative paradigm shift of Indian Power Sector from fossil fuel energy base to renewable energy base. We at SJVN are performing our duty towards the nation by strengthening the energy sector.

Under the Paris Agreement-2015 for carbon neutralization, Government of India has committed to reduce the Greenhouse gases emissions intensity by 45% below 2005 levels. For this, 50% of installed electric power capacity is planned to be generated from non-fossil sources by 2030. Government has also permitted 100% FDI under automatic approval in renewable sector.

In the Union Budget 2023, some path breaking announcements have been made towards net-zero emission by 2070. The government intends to reduce the country's estimated total carbon emissions by 1 billion tonnes by the end of the current decade. Rs.35,000 crores have been earmarked for energy transition and net-zero carbon emission. Also, Rs.19,700 crores have been earmarked for the National Green Hydrogen Mission. By 2030, India is committed to reduce carbon intensity of its GDP by 45% of 2005 level.

All these policy decisions are bound to drive up the growth of renewable sector which in turn will open new vistas for the Company.

ACKNOWLEDGMENT

Dear Shareholders,

As my present tenure as CMD of this esteemed Company nears completion, it gives me tremendous satisfaction to report to our shareholders that all key parameters of the Company be it **Project Portfolio, Networth, CAPEX, Share**

Price, Market Capitalization, Revenue, Book Value, etc. have scaled their All-Time Highs during recent months. Nothing is more gratifying than to see the Company scale the lofty peaks of success and accomplishments each day. I consider myself fortunate to have witnessed and participated first-hand in the dawn of this Golden Era of the Company.

On this occasion, I would like to remember the contribution and express my deep gratitude for all the founding fathers and architects who conceived and built this Company and laid a strong foundation of which we are reaping the benefits today. I would also like to place on record my deepest appreciation for my colleagues on the Board – past & present. My fellow Board Members have always stood by me and extended their unfaltering trust and co-operation.

A tree's beauty lies in its branches but its strength lies in its roots. Similarly, the strength of SJVN lies in its employees. Our grit combined with our attitude has brought us where we are today – **Strong and Proud with a 55814 MW Portfolio**. I feel highly privileged to be leading the Company that is breaking barriers and conquering new frontiers.

I take this opportunity to place on record my sincere gratitude for the guidance and cooperation extended by Ministry of Power, Government of India. Your support has motivated us to exceed the expectations and to set our sight high on bigger goals.

I also express my thanks to various Ministries / Departments of Government of India - Ministry of New & Renewable Energy, Ministry of Finance, Ministry of External Affairs, Ministry of Environment & Forest, Central Electricity Authority, Central Water Commission, Geological Survey of India; State Governments of Himachal Pradesh, Rajasthan, Maharashtra, Uttar Pradesh, Odisha, Gujarat, Uttarakhand, Bihar, Punjab, Madhya Pradesh, Arunachal Pradesh, Assam, and Mizoram; Government of Nepal; other Governmental and Non-Governmental agencies; Statutory, Cost, Secretarial and Internal Auditors; our Customers; Business associates; various Financial Institutions & Bankers and Regulatory authorities.

Above all, I thank all our Shareholders & Investors for placing faith in the Company. I look forward to your continued support, trust and cooperation.

I look forward to further raising the bar and setting standards even higher for ourselves. I expect my team to commit their untiring efforts and unflinching commitment to achieve the goals we have aspired for ourselves. I believe our well-poised strategy, combined with our relentless execution, will continue to create long-term sustained value for our shareholders and stakeholders.

Thanking you all,

Yours Sincerely

(Nand Lal Sharma)

Date: 9th August, 2023

Place: New Delhi

Chairman & Managing Director

DIN: 03495554



DIRECTORS' REPORT 2022-23

Dear Members,

Your Directors are pleased to present the Thirty Fifth Directors' Report of the Company for the year ended 31st March, 2023 along with the Audited Statement of Accounts, Report of Auditors and Comments of the Comptroller and Auditor General of India.

The following financial highlights for the year ended 31st March 2023 briefly encapsulate the performance of your company: -

1. FINANCIAL HIGHLIGHTS

(₹ in crore)

PARTICULARS	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
REVENUE				
Revenue from Operations	2935.41	2421.96	2938.35	2417.00
Other Income	363.43	203.58	344.15	217.78
Total Revenue	3298.84	2625.54	3282.50	2634.78
EXPENSES				
Electricity Purchased for Trading	0.17	-	0.17	-
Employees' Benefits Expenses	294.85	289.41	286.86	290.62
Finance Cost	432.23	161.34	414.88	161.34
Depreciation and Amortization Expenses	390.59	404.29	396.40	404.29
Other Expenses	419.24	403.80	421.15	399.94
Total Expenses	1537.08	1258.84	1519.46	1256.19
Profit before exceptional items, net movement in regulatory deferral account balance and tax	1761.76	1366.70	1763.04	1378.59
Exceptional items	29.63	23.26	29.63	23.26
Share of Net Profit of Joint Ventures accounted for using equity method	-	-	4.25	4.49
Profit before net movement in regulatory deferral account balance and tax	1732.13	1343.44	1737.66	1359.82
Tax Expenses:				
- Current Tax	297.00	229.09	299.09	232.86
- Tax expense pertaining to earlier years	15.59	-	15.59	0.33
- Deferred Tax	45.79	93.01	53.38	93.01
Profit before regulatory deferral account balances	1373.75	1021.34	1369.60	1033.62
Net movement in regulatory deferral account balances (net off tax)	(10.30)	(43.82)	(10.30)	(43.82)
Profit for the year	1363.45	977.52	1359.30	989.80
Other comprehensive Income/(Expense) (Net off tax expense)	(2.02)	(1.63)	(2.03)	(1.63)
Total Comprehensive Income for the year	1361.43	975.89	1357.27	988.17

2. GENERATION

Gross Energy Generation from various operational plants of the Company, including subsidiaries during FY 2022-23 is as under: -

(Million Units (MU))

Plant	Design Energy	2022-23	2021-22
NJHPS	6612	7133.002	7067.373
RHPS	1878.08	1997.454	1981.193
KWPS	85.65	50.977	47.230
CSPS	7.6032	8.749	8.595
SWPP	120.05	92.778	102.677
Wadhwal SPS	1.5	1.317	1.404
Parasan SPS	--	50.886	--
Total	8704.8832	9335.163	9208.472

Generation Records & Milestones achieved during FY 2022-23 include: -

- NJHPS has achieved highest ever PAF of 106.653% surpassing previous high of 106.596% achieved in FY 2021-22.
- NJHPS has achieved highest single day generation of 39.526 MU on 29.08.2022.
- RHPS has achieved highest single day generation of 10.9082 MU for FY 2022-23 on 26.08.22.
- CSPS has achieved highest yearly generation of 8.751 MU surpassing previous high of 8.5954 MU achieved in FY 2021-22.
- Total earning from DSM upto 12.03.2023 is ₹ 44.19 Cr, which is highest in last 5 years.
- Total generation recorded from all operational plants for September month of FY 2022-23 is 1338.5 MU which is highest ever generation achieved in September month.
- Total generation recorded from all operational plants for FY 2022-23 is 9335.166 MU which is 3rd highest generation achieved. Highest is 9678 MU achieved in FY 2019-20.
- Total generation recorded from all operational plants for 4th Quarter of FY 2022-23 is 863.453 MU which is 2nd highest for 4th Quarter. Highest is 887.054 MU achieved in FY 2021-22.
- Total generation recorded from all operational plants for 3rd Quarter of FY 2022-23 is 1407.412 MU which is 2nd highest for 3rd Quarter. Highest is 1480.502 MU achieved in FY 2019-20.

3. REVENUE AND PROFITS

The standalone revenue from operation increased by ₹513.45 crore to ₹2935.41 crore during the financial year 2022-23 compared to ₹2421.96 crore during the previous year. The standalone Profit After Tax (PAT) increased by ₹385.93 crore to ₹1363.45 crore against ₹977.52 crore for the previous year.

The projects of Subsidiary companies – STPL & SAPDC are presently under construction. Some projects of SGEL and CPTC, are in operation. One of the projects of SGEL of 75 MW started commercial generation in the month of November 2022 and revenue of ₹12.53 crore has been earned. Consolidation of accounts has resulted in decrease in profit of consolidated group by ₹4.15 crore (P.Y. Profit of ₹12.28 crore) as compared to standalone financial statements mainly due to loss in SGEL. The loss is due to 2-3 months' time taken for stabilisation of plant for optimum generation.



4. TRANSFER TO RESERVES

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

5. DIVIDEND

During the year, an interim dividend of ₹1.15 per share has been paid in the month of February 2023. In addition, your Board has recommended a final dividend of ₹0.62/- per Share. Thus, subject to your approval, a total dividend of ₹1.77 per share (₹695.58 crore) is proposed to be paid for FY 2022-23 against ₹1.70 per share (₹668.07 crore) paid during the previous year.

6. PROGRESS OF PROJECTS (HYDRO & THERMAL)

The progress of the projects of the Company and its subsidiaries are as follows: -

A) PROJECTS UNDER CONSTRUCTION

i) Arun-3 HEP (900 MW):

Arun-3 Hydro Electric Project (4 x 225 MW) is located on River Arun in District Sankhuwasabha of Eastern Nepal. The Project is run-of-the-river scheme with 4 hours peaking and is designed to generate 3924 MU energy annually in a 90% dependable year. SJVN bagged the Project through International Competitive Bidding. Memorandum of Understanding for the execution of this Project was signed with Government of Nepal (GoN) on 02.03.2008. The Project was allotted to SJVN on BOOT basis, to be operated by SJVN for 25 years after the commissioning and thereafter it will be handed over to the Government of Nepal. SJVN Arun-3 Power Development Company Pvt. Ltd (SAPDC) was registered on 25.04.2013 under Companies Act of Nepal, 2063 with an aim to plan, promote and execute the Project.

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

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

Government of India has accorded investment approval for the Generation component of the Project at an estimated cost of ₹5,723.72 Crores at May 2015 price level. Government of Nepal has issued Generation License on 04.05.2018.

Hon'ble Prime Ministers of India and Nepal jointly laid the foundation stone of this Project on 11.05.2018. Major works of the Project are divided in four main packages which have already been awarded and the progress of each of these is discussed as under.

Civil Package- C1 comprising of Civil Works in Dam complex area and 3.1 km Head Race Tunnel (HRT) was awarded to M/s Jaiprakash Associates Ltd. on 22.09.2017. Work is in progress at all the fronts. Diversion of River was completed on 01.02.2021. Dam excavation and concreting is in progress; 99% excavation and 24% concreting has been completed. Construction of Intake structure is in progress. In HRT, 100% heading, 66% benching and 47% overt lining has been completed.

Civil Package- C2 comprising of Civil Works in Power House and 8.6 km Head Race Tunnel (HRT) was awarded on 19.03.2018 to M/s Patel Engineering Ltd. All access adits to HRT, Power House, Pressure Shafts, Machine Hall, Transformer Hall and Butterfly Valve House have been completed. Excavation of Machine Hall, Transformer Hall, Butterfly Valve House and Collection Gallery have also been completed. 67% excavation of Surge Shaft and 52% widening of Pressure shafts has been completed. Excavation and lining of HRT is in progress; 89% heading, 32% benching and 17% overt lining has been completed. Overall, in both C-1 and C-2 packages 92% heading, 43% benching and 27% overt lining of HRT have been completed.

HM Package- C3 was awarded to M/s OM Metals Infra Projects Ltd. on 11.04.2018. Design and drawings of all major HM components approved and procurement, fabrication and supply of components is in advance stage.

EM Package- C4 was awarded to M/s BHEL on 30.04.2018. Erection of DT liner in all units of Machine Hall has been completed. Design and drawings of all major EM components approved and procurement and supply of components is in progress.

Construction Power: Construction of 33 kV Transmission Line (46 km) for Construction Power has been completed, line charged and construction power made available at site.

Power Evacuation System of Arun-3 HEP: Power Evacuation system consists of 253 km long 400 kV DC Transmission Line from Diding (Project area) in Nepal through Dhalkebar to Sitamarhi Substation, India. Nepal portion of 217 km from Arun-3 Power House (Diding) to Bathnaha (Nepal Border) is being constructed by SAPDC. Government of India accorded investment approval amounting to ₹1,236.13 Crores at June, 2017 price level on 08.03.2019 for the Nepal portion of Transmission Line to be constructed by SAPDC. Government of Nepal has issued Transmission license on 12.02.2019.

MoU has been signed with PGCIL for Project Management consultancy for execution of Transmission Line stretch in Nepal. Construction work is being carried out through five packages. All packages i.e. two Tower packages, one Substation package and two Conductor packages have been awarded and the work is in progress. 49% Tower foundations & 40% erection of Towers have been completed and balance work is in progress.

ii) Naitwar Mori HEP (60 MW):

Naitwar Mori Hydro Electric Project (60 MW) is located on Tons River, a major tributary of river Yamuna in Uttarkashi district of Uttarakhand. It is designed as run-of-the-river Project and has a potential to generate 216 MU energy in a 90% dependable year.

Memorandum of Understanding for execution of Naitwar Mori HEP was signed with the Government of Uttarakhand (GoUK) on 21.11.2005. Techno-economic approval of the Project was accorded by CEA, GoI on 02.03.2010. Environment clearance was accorded on 16.06.2016 and Forest clearance Stage-II on 05.08.2016. For diversion of Forest land required for the Project, lease agreement was signed on 01.12.2017. Investment approval for an estimated cost of ₹648.33 Crores was accorded by GoI on 16.10.2017 at December, 2016 price level.

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



Shaft, Power House, TRT; Hydro Mechanical works (Package-2) and Electro Mechanical works (Package-3).

The Project has been substantially completed as on date and is likely to be commissioned within second quarter of FY 2023-24.

Major Civil Works at all fronts have been completed. 96% Barrage concreting, 99% Desilting tank concreting, 93% Intake concreting, 99% HRT overt lining and 91% HRT invert lining has been completed. Concrete lining of Surge Shaft completed and grouting is in progress. Excavation of both shafts for DT gates, Bus duct in Transformer Hall and lining of both Draft tubes has also been completed.

Hydro-Mechanical works package was awarded on 18.04.2018 to M/s GMW Private Ltd. Approval of design and drawings have been accorded. Major supplies for HM components have been received at site and supply of remaining components is in progress. Erection of Radial gates along with hoisting arrangement in all 3 bays of Barrage completed. All 4 Bonnet Gates for SFT have been placed, TRT outfall gate and both Draft Tube gates have been erected. Erection of Pressure shaft Steel liner is in progress and 98% ferrules stand erected.

Electro-Mechanical works package was awarded on 11.06.2018 to M/s Voith Hydro Private Ltd. All major EM components have been received at site. EOT Crane was made available on 04.01.2022 and is functional. Boxing-up of Unit-1 completed on 14.10.2022 and Boxing-up of Unit-2 is in progress.

Power Evacuation System of NMHEP: LoA for construction of 220 kV Transmission line from NMHEP Switchyard to HPPTCL network at Snail was issued to M/s KEC International Ltd. on 30.04.2021. All the works of Transmission line (except LILO) has been completed.

iii) Buxar Thermal Power Project (1320 MW):

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

Investment approval for carrying out pre-construction activities of the Project amounting to ₹436.68 Crores was accorded by Gol on 26.05.2015. MoEF&CC accorded Environment Clearance on 28.02.2017. 1058.33 acre land for Project components was transferred in the name of STPL on 12.12.2017. Consent to Establish (NOC) was granted by Bihar State Pollution Control Board on 03.09.2019.

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

Main Plant works: Single EPC package was awarded to M/s L&T on 22.06.2019 and construction activities are in progress. Area grading work in Main Plant area is in progress, 82% excavation and 81% filling has been completed. 78% erection for Boiler-I and 52% erection for Boiler-II has been completed. Structure erection work of Boiler-I & II, ESP-I & II, STG I & II, DM plant and CHP system is in progress. Chimney outer shell concreting has been completed and flue can fabrication is in progress.

Rail Infrastructure: The DPR for Rail infrastructure was approved by East Central Railway (ECR), Hazipur on 05.09.2019. For Coal

linkage, Amrapali and Magadh coal blocks have been identified as source by Central Coalfields Ltd. (CCL) and Fuel supply agreement was signed with Central Coalfields Ltd on 27.07.2021. Work is divided into seven packages out of which 4 packages (Package- 1 to 4) have been awarded and tendering work for remaining packages is in process. Supply of Rails (Package-1) and PSC Sleepers (Package-2) has been completed. Railway infra works inside Plant (Package-3) and Civil works outside plant (Package-4) are also in progress.

Power Evacuation System: Power Purchase Agreement (PPA) for the Project was signed with Bihar State Electricity Board (later Bihar State Power Holding Company Limited, BSPHCL) for 85% share of Power at bus bar rate. PPA (supplementary agreement) signed with BSPHCL on 09.04.2021 for construction of Transmission Lines for Power evacuation. Grant of Connectivity for Power Transmission from Buxar TPP was accorded by Bihar State Power Transmission Company Ltd. (BSPTCL) on 11.03.2022. Connectivity agreement was signed on 03.02.2023. Power evacuation system is divided into four Transmission Line packages. LoA for all four lines has been issued by BSPTCL. Tower foundation and erection work is in progress. 98% tower foundations have been completed and 96% towers have been erected.

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

iv) Luhri HEP STAGE-1 (210 MW):

Luhri Hydro Electric Project Stage-1 is a Run-of-the-River (RoR) scheme with installed capacity of 210 MW, located on river Satluj, near village Nirath spread over Shimla and Kullu Districts of Himachal Pradesh. The project will generate 758 MU of electric energy in a 90% dependable year. MOU for execution of the project was signed with Govt. of Himachal Pradesh on 25.09.2019.

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

Main Civil & HM works package was awarded on 24.11.2020 to M/s Luhri Hydro Power Consortium and works at various fronts are in full swing. River diverted on 25.06.2022 and construction of Cofferdam has been completed. Dam excavation in right bank, left bank and River bed is in progress and 54% completed. Concreting in dam block no. 10,11,12 and 13 has also been started. Excavation of Power House up to Service Bay & raft concreting completed and further works for excavation up to unit pits & concreting of columns and beams are in progress. Excavation of Tail Race Channel is in progress and 66% work completed. Construction of flood protection wall is in progress. Erection of permanent steel truss bridge (84m) for river crossing is also in progress.

EM package was awarded to M/s Voith Hydro Pvt. Ltd. on 16.07.2021. Manufacturing of draft tube liner for unit-1 (Main) and unit-3 (Auxiliary) completed. Manufacturing of other EM Components is in progress.

Realignment work of NH-5 (1.36 km) has been completed on 28.02.2023 through HPPWD and left bank stripping for dam abutment has been taken up by contractor from 04.03.2023.

For Power Evacuation work for construction of 220 kV Transmission Line from switchyard to common pooling station (ISTS network) awarded on 06.07.2022. Detailed survey completed and public



notice in Govt. of India Gazette u/s 164 of Electricity Act, 2023 has been published. Cases for acquisition of private land and diversion of forest land are being processed.

v) Dhaulasidh HEP (66 MW):

Dhaultasidh Hydro Electric Project with installed capacity of 66 MW is located on river Beas, in Hamirpur and Kangra districts of Himachal Pradesh. The Project is a run-of-the-river scheme and will generate 304 MUs of electric energy in a 90% dependable year. MOU was signed with Govt. of Himachal Pradesh on 25.09.2019.

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

Main Civil & HM works package was awarded to M/s Rithwik Projects Pvt. Ltd., Hyderabad on 06.05.2021. River diverted on 15.02.2022 and construction of Cofferdam has been completed. Excavation for all the project components i.e. Dam, Power House and Tail Race Channel has been completed in all respect. Dam concreting in Block no. 4, 5 and 6 is in progress. Concreting in Power house started on 28.02.2023. Work for construction of flood protection wall is also in progress.

EM package for main works awarded to M/s Voith Hydro Pvt. Ltd. on 19.01.2022. Power house layout approved on 04.08.2022. Fabrication of draft tube liners for both units has been completed. Design and fabrication of balance components is in progress. Work for supply and erection of EOT crane has been awarded on 01.04.2023. Design and drawings have been approved and manufacturing is in progress.

3616 kanal private land required for project has been directly purchased from land owners while 2301 kanal of Govt. land is proposed to be taken on lease basis and the same is under process of approval with GoHP.

For Power Evacuation, work for construction of 17.2 km Transmission Line from switchyard to HPPTCL network in Alampur awarded on 14.06.2022. Detailed survey completed and cases for acquisition of private land and diversion of forest land are being processed.

vi) Sunni Dam HEP (382 MW):

Sunni Dam HEP is a run-of-the-river (RoR) scheme on river Satluj located near Khaira village in Shimla and Mandi districts of Himachal Pradesh. The Project will generate 1382 MU of energy in a 90% dependable year. Govt. of H.P. re-allotted the project on "Stand Alone Basis" to SJVN on 29.08.2017. MOU was signed with Govt. of Himachal Pradesh on 25.09.2019. Ground breaking ceremony of the project was presided over by Hon'ble Prime Minister of India on 27.12.2021.

After obtaining all statutory clearances, investment approval amounting to ₹ 2614.51 Cr accorded by Gol on 12.01.2023 with completion period of 63 months from the date of CCEA approval.

EPC package for main Civil & HM works has been awarded to M/s Rithwik Projects Private Limited on 14.01.2023. Initial mobilisation of manpower and machinery has been completed by the Contractor. Topographical survey work completed on 19.02.2023. Construction of approach road to adit of Diversion Tunnel & portal excavation has also been completed. Excavation of Adit to Diversion Tunnel is in progress.

Various infrastructure works i.e. approach roads on left & right banks and double-lane steel truss bridge over river Satluj were

awarded well before the award of main Civil & HM works to facilitate main works and execution of the same is in full swing. Construction power for initial requirement has been made available at site, while for peak requirement, work of 22 kV line from HPSEB's substation at Gumma to dam site through HPSEB Ltd. is in progress.

For acquisition of private land as required, notification under Section-11 of LARR Act was issued by GoHP on 19.01.2021. R&R plans for both Mandi and Shimla districts have been approved on 25.03.2023 and 28.03.2023 respectively and R&R cost has been deposited with District Administration for disbursement.

For power evacuation, location of common pooling station at village Ogli has also been finalised with CTU/CEA. Land required for transmission line up to common pooling station has been identified.

B) PROJECTS UNDER PRE-CONSTRUCTION, SURVEY & INVESTIGATION STAGES:

i) Lower Arun HEP (669 MW), Nepal:

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

Investment approval for ₹ 74.60 Cr for pre-construction activities of the project was accorded by Gol on 02.03.2022. DPR of the project has been approved by IBN, GoN on 31.03.2022. Techno-Economic Appraisal of the Project has also been accorded by CEA on 31.10.2022. Project Development Agreement (PDA) to be signed with IBN, GoN is under finalization.

For investment approval, revised PIB Memo has been submitted by MoP to DoE on 02.05.2023 for convening PIB meeting. Tender documents for major works of the project are being finalised.

ii) Luhri HEP STAGE-2 (228 MW):

Luhri HEP Stage-2 is a Run-of-the-River (RoR) scheme proposed on river Satluj near village Nanj, in Shimla, Kullu and Mandi districts of Himachal Pradesh. Govt. of H.P. re-allotted the project on "Stand Alone Basis" to SJVN on 29.08.2017. Investment approval for carrying out construction activities amounting to ₹ 72.478 Cr has been approved by Gol on 16.03.2018. MOU was signed with GoHP on 25.09.2019.

The project is in pre-DPR stage. After preliminary studies, a scheme in tandem operation with upstream Luhri HEP Stage-1 has been identified with an installed capacity of 228 MW and layout of the scheme submitted to CWC/CEA for approval.

iii) Devsari HEP (194 MW):

Devsari HEP is a Run-of-the-River (RoR) scheme located on river Pinder, a major tributary of river Alaknanda in district Chamoli of Uttarakhand. DPR with 252 MW installed capacity was concurred by CEA on 07.08.2012.

As per revised e-flows notified by MoJS, Gol on 09.10.2018, DPR of the project is being revised and capacity reworked from 252 MW to 194 MW. However, all S&I work required for revision of DPR are on hold in compliance to Ministry of Power letter dated 06.07.2021 due to stay ordered by Hon'ble Supreme Court of India for HEPs in Uttarakhand. Matter has been taken up with MoP/ MoJS and PMO to consider the project for development.

Forest clearance stage-1 was accorded by MOEF&CC on 26.02.2018 with conditions. Environmental Clearance was



recommended by EAC on 27.03.2018 subject to certain conditions applicable for FC stage-1. For acquisition of private land, award has been issued by DM, Chamoli on 10.07.2019 and compensation amount deposited with District Administration.

iv) Jakhol Sankri HEP (44 MW):

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

TEC of DPR issued by GoUK on 03.06.2019. Environmental clearance was recommended by EAC, MoEF on 26.12.2019. Proposal for forest Clearance Stage-1 after recommendation from REC, MoEF&CC has been submitted to MoEF&CC on 19.01.2022. For private land acquisition, R&R plan approved by Commissioner, Garhwal on 15.06.2021 and land compensation is under finalization.

In order to keep the tariff of power to be generated from the project within acceptable limits, GoUK was pursued to extend certain concessions in terms of taxation and free power etc. Concessions to make the hydro power projects viable have been granted by GoUK on 17.02.2023, however, the project cost/tariff is still on higher side. Consultant has been hired on 25.04.2023 to optimize the project components to make it commercially viable. The report is awaited for further progress.

v) Jangi Thopan Powari HEP (804 MW):

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

Project is under S&I stage. After preliminary studies, capacity of project has been proposed to be enhanced to 804 MW.

Drilling and drift works were awarded on 26.02.2021 and 17.03.2021 respectively. However, S&I work were stopped by locals w.e.f. 04.04.2021. A Communication Plan has been prepared and is being implemented in the project affected areas under which various activities are being carried out for sensitization of locals about project benefits. Simultaneously, alternative project scheme/layout proposing modifications such as possibility of Dam-Toe Power House, use of TBM for HRT etc. are also being explored to address the concerns of local public.

vi) Reoli-Dugli HEP (456 MW):

Reoli Dugli HEP is a run-of-the-river project proposed to harness the hydel potential of river Chenab in the Lahaul-Spiti district of Himachal Pradesh. GoHP allotted the project to SJVN with capacity of 430 MW on 23.10.2019. Template MoU was signed with GoHP on 06.11.2019. After feasibility studies, capacity of the project enhanced to 456 MW. DPR of the project was submitted to CEA/CWC on 28.12.2021. Additional investigations suggested by GSI/CWC are in progress.

For diversion of forest land, case has been submitted to MoEF&CC on 31.03.2022. Identification of land for Compensatory Afforestation area and Tree enumeration is in progress. EIA/EMP report and CAT plan are under finalisation.

Investment approval for pre-construction activities amounting to ₹ 79.69 Crore has been approved by MoP on 20.12.2022.

vii) Purthi HEP (234 MW):

GoHP allotted the project with capacity of 210 MW in Chenab basin on 09.08.2019 and Template MoU was signed with GoHP on 25.09.2019.

Project is in pre-DPR stage. 1st consultation meeting was held in CEA on 20.10.2020. After preliminary studies, capacity of project has been enhanced to 234 MW. Drilling and drift works for geotechnical investigations were awarded, however, same have been stopped by locals w.e.f. 04.09.2022. Matter has been taken up with Administration/locals.

ToR of the project has been approved by MoEF&CC on 26.03.2021. EIA/ EMP report and CAT plan are under preparation. Investment approval for pre-construction activities amounting to ₹ 78.25 crore has been approved by MoP on 14.12.2022.

viii) Bardang HEP (166 MW):

GoHP allotted the project with capacity of 138 MW in Chenab basin on 09.08.2019 and Template MoU signed with GoHP on 25.09.2019.

Project is in pre-DPR stage. 1st consultation meeting held with CEA on 06.11.2020. After preliminary studies, capacity of project has been revised to 166 MW. Drift works completed on 09.02.2023 and drilling works are in progress.

ToR of the project has been approved by MoEF&CC on 26.03.2021. EIA/ EMP report and CAT plan are under preparation.

ix) Sach Khas HEP (287 MW):

Sach Khas HEP is a run of the river project proposed to harness the hydel potential of river Chenab in Chamba district of Himachal Pradesh. GoHP allotted the project with capacity of 267 MW on 05.01.2021.

Project is in pre-DPR stage. 1st consultation meeting held on 06.01.2022. After investigation, capacity of project revised to 287 MW. Drilling and drift works for geotechnical investigations are in progress.

ToR of the project approved by MoEF&CC on 04.03.2022. EIA/EMP report and CAT plan are under preparation.

x) Tandi Rashil HEP (268 MW):

Tandi HEP and Rashil HEP were allotted by GoHP with capacity of 104 MW and 130 MW respectively in Chenab basin on 05.01.2021. After preliminary studies, a single scheme of 268 MW Tandi-Rashil HEP has been proposed and same was approved by GoHP on 02.07.2022.

The project considered by CEA on 25.07.2022. Project is in pre-DPR stage and Consultant for Environment studies is being hired.

xi) Tindi SHEP (4.4 MW):

Tindi hydroelectric project is a run-of-the-river scheme located on Harsar nala, a tributary of river Chandrabhaga near village Tindi, in District Lahaul & Spiti of Himachal Pradesh. DPR of the project has been submitted to GoHP/Himurja on 31.08.2022 for approval.

xii) Chhoo SHEP (3.5 MW):

Chhoo SHEP is a run-of- the -river scheme on Mujar nallah, a tributary of Chenab River. DPR of the project is under preparation.

xiii) Arun-4 HEP (490 MW), Nepal:

Arun-4 HEP is a run-of-the-river scheme proposed to harness the hydel potential of river Arun in Nepal with an annual generation of 2758 MU. For the development of the project in a Joint Venture, a



Memorandum of Understanding has been signed between SJVN and Nepal Electricity Authority (NEA), in the esteemed presence of Hon'ble Prime Ministers of India & Hon'ble Prime Minister of Nepal at Lumbini, Nepal on 16.05.2022.

Project registered with CEA on 08.07.2022. Inception report of the project has also been submitted to NEA, GoN on 23.11.2022.

Investment approval for pre-construction activities amounting to ₹ 41.36 crore has been approved by MoP on 30.12.2022.

xiv) Hydro Power Projects in Arunachal Pradesh:

Ministry of Power, GoI has indicated basin-wise identification of projects in Arunachal Pradesh to the Hydro CPSUs, wherein 5 projects (Emini-500 MW, Amulin - 420 MW, Mihumdon-400 MW, Etalin-3097 MW and Attunli-680 MW) with a total installed capacity of 5097 MW were indicated to SJVN in the Dibang basin of Arunachal Pradesh.

Emini (500 MW), Amulin (420 MW) and Mihumdon (400 MW) HEPs: Projects have been approved for allotment to SJVN by GoAP Cabinet on 10.01.2023. MoAs for development of the projects are under finalisation with GoAP.

Etalin (3097 MW) and Attunli (680 MW) HEPs: Projects were initially allotted to M/s Jindal Power Ltd. by GoAP and DPRs of these two projects were approved by CEA. Signing of agreements is under finalisation with GoAP.

Oju HEP (1878 MW): Oju Subansiri Hydro Power Corporation Pvt. Ltd invited an EOI for joint execution of Oju HEP (1878 MW) located in Upper Subansiri district of Arunachal Pradesh. MoU for development of the Project signed with M/s Navyuga Engineering Company Limited and Oju Subansiri Hydro Power Corporation Pvt. Ltd. on 31.01.2023. Concurrence of NITI Aayog and DIPAM for development of the project is under process.

xv) Pumped Storage Projects:

Ministry of Power on 06.04.2022 has indicated 10 PSPs to SJVN with an estimated capacity of 13950 MW and spread across four states which were further revised to 11 projects with estimated capacity of 12745 MW on 08.08.2022. After initial studies, total potential worked out as 12790 MW with 10 projects.

PFRs of **Jalvara PSP (2220 MW)** falling in Maharashtra & Karnataka and **Sadda PSP (180 MW)** falling in Himachal Pradesh have been submitted to CEA on 28.12.2022 for registration /listing of the projects. Matter has been taken up with respective states for allotment of the projects.

There are Wildlife Sanctuary issues in 04 projects i.e. **Chornai PSP, Kolmondapada PSP, Sidgarh PSP and Baitarni PSPs**, while PFRs of balance four PSPs i.e. **Chera Khad, Dhurmu and Purthi & Sach Khas PSPs** located in the state of Himachal Pradesh and **Daizo Lui PSP** in Mizoram are under finalization.

In addition to above, some PSPs in Maharashtra and Bihar are also being explored. Four PSPs i.e. **Telharkund PSP, Sinafdar PSP, Panchgotia PSP and Hathiadah-Durgawati PSP** in Kaimur district of Bihar have been identified for further survey & investigation.

Requests letter have been sent to Eastern Coalfields Limited, Western Coalfields Ltd and South eastern Coalfield Limited on 05.12.2022 for identification of abandoned coal mines for developing PSPs.

7. PROGRESS OF PROJECTS (RENEWABLE ENERGY)

SJVN is fast expanding its foot prints in the field of Renewables and aims for adding 1 to 1.5 GW Capacity on annual basis. In order to

give a thrust to its renewable endeavours, SJVN has registered a Wholly owned Subsidiary namely "**SJVN Green Energy Limited**" on 30.03.2022.

The Renewable portfolio at present stands at 4.25 GW which includes Operational (178.2 MW), Construction (1500 MW), Pre-Construction (1296 MW) and S&I (1280 MW).

A. PROJECTS UNDER OPERATION (178.2 MW)

i) Charanka Solar Power Station

SJVN's 5.6 MW Charanka Solar Power Station has been commissioned on 31.03.2017. The project is located at Charanka Solar Park in Gujarat in an area of about 25.95 Acres. The project has been conceived under REC Mechanism and the PPA for brown power has been signed with GUVNL on 03.03.2017. Total 5051 RECs (Renewable Energy Certificates) have been traded in FY 2022-23 and on cumulative basis 38356 RECs. The project has generated 8.751 MUs in the FY 2022-23.

ii) Khirwire Wind Power Station

SJVN has set up its first Wind Power Project of 47.6 MW capacity at Khirwire / Kombhalne villages of Ahmednagar district of state of Maharashtra. The Project comprises 56 Wind Energy Generators (WEGs) each of capacity 0.85 MW. The project started generation w.e.f. 20th January 2014, with the commissioning of 1st lot of 25 WEGs and attained full generation capacity by commissioning the last 56th WEG on 20.05.2014. The project has been registered with IREDA for availing Generation Based Incentive @₹0.50 / kWh with a cap of ₹1 Crore per MW. Total energy Generation from the plant for FY 2022-23 was 50.976 MU.

iii) Sadla Wind Power Project

SJVN has successfully commissioned its second Wind Power Project of 50 MW capacity, comprising 25 WEGs each of capacity 2 MW at village Sadla, Distt. Surendranagar, Gujarat. PPA was signed with Gujarat Urja Vikas Nigam Limited for 38 MW on 30.01.2018 and for balance 12 MW on 30.03.2019. The project has been fully commissioned on 18.04.2019. Total 92.780 MU had been generated in FY 2022-23.

iv) Parasan Solar Park Project

Parasan Solar Park Project of 75 MW capacity was bagged through Open Competitive Bidding conducted by Uttar Pradesh New & Renewable Energy Development Agency (UPNEDA) on 17.05.2021 and PPA was signed with UPPCL at a tariff of INR 2.68 per unit. The annual design energy for the project is 168.34 MU with a CUF 25.6. The EPC work was awarded to M/s Solar World Energy Solution Pvt Limited. The project was commissioned and came into operation on 22.11.2022. Total energy generation of 50.886 MU was achieved during FY 2022-23.

B. PROJECTS UNDER CONSTRUCTION (1500 MW)

Presently, SJVN Ltd has eight solar power projects under construction with total capacity of 1500 MW located in Uttar Pradesh, Rajasthan, Gujarat, Madhya Pradesh, Punjab and Himachal Pradesh. The details of the projects are listed below:

i) 70 MW Bagodra Solar Power Project

Bagodra Solar Park Project of 70 MW capacity was bagged through Open Competitive Bidding conducted by Gujarat Urja Vikas Nigam Limited on 26.03.2021. PPA was signed with GUVNL at tariff of INR 2.21 per unit. The EPC was awarded to M/s Refex Energy Limited. The project is in construction stage and is likely to be commissioned by October 2023.

**ii) 1000 MW Bikaner Solar Power Project under CPSU Scheme**

SJVN during the month of September 2021 bagged 1000 MW Solar Project at a tariff of INR 2.57/Unit (maximum) and a Viability Gap Funding (VGF) of 44.72 Lakh/MW through competitive bidding under the CPSU Scheme. The EPC was awarded to M/s TATA Power Solar System Limited. The project is in construction stage and is likely to be commissioned by February 2024.

iii) 75 MW Gurhah Solar Power Project

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

iv) 50 MW Gujrai Solar Power Project

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

v) 100 MW Raghnesda Solar Project

SJVN through Open Competitive Bidding conducted by Gujarat Urja Vikas Nigam Limited (GUVNL) bagged 100 MW Solar Power Project to be developed in Raghnesda Solar Park in Gujarat. PPA has been signed with GUVNL at a tariff of INR 2.64/Unit. Award has been placed on 03.08.2022. Project is to be commissioned by December, 2023.

vi) 100 MW Punjab Solar Project

SJVN through Open Competitive Bidding conducted by Punjab State Power Corporation Limited (PSPCL) bagged 100 MW Floating Solar Project in Punjab. PPA has been signed with PSPCL at a tariff of INR 2.65/Unit. Award has been placed upon M/s BVG India Limited on 21.03.2023. Project is to be commissioned by March, 2024.

vii) 15 MW Nangal FSP

Award has been placed to M/s Hartek Solar Pvt. Limited on 24.03.2023 for construction of 15 MW floating SPP in the catchment area of BBMB DAM at Nangal. Project is to be commissioned by March, 2024. PPA has been signed with BBMB on 23.12.2022 at a tariff of INR 3.26/Unit.

viii) 90 MW Omkareshwar Floating Solar Project

SJVN through Open Competitive Bidding conducted by Rewa Ultra Mega Solar Ltd. (RUMSL) bagged 90 MW Floating Solar Project at Indira Dam, Omkareshwar, Madhya Pradesh. PPA signed with MPPMCL on 04.08.2022 at a tariff of INR 3.26/Unit. Award has been placed to M/s Larsen & Toubro Limited on 29.11.2022. Project is to be commissioned by February, 2024.

C. PROJECTS UNDER PRE-CONSTRUCTION STAGE (1296 MW)

Following solar projects are under pre construction stage:

- I. 125 MW Jamui Solar Project in Bihar.
- II. 75 MW Banka Solar Project in Bihar.
- III. 100 MW Gujarat SPP (Phase -XII) in Gujarat.

IV. 260 MW Gujarat SPP (Phase -XIV) in Gujarat.

V. 113 MW Solar Projects in Himachal Pradesh.

VI. 18 MW BBMB Solar Project

VII. 200 MW Maharashtra SPP (MSEDCL Phase VII) in Maharashtra.

VIII. 105 MW Maharashtra FSPV (Mahagenco) in Maharashtra

IX. 200 MW Maharashtra SPP (MSEDCL Phase IX) in Maharashtra

X. 100 MW SECI WPP (Tranche XIII).

8. POWER TRADING BUSINESS AND LICENSE

SJVN has ventured into power trading business as part of its business expansion and diversification plan and has obtained Category-I license from CERC for interstate trading of electricity in whole of India in the year 2022. SJVN is registered at DEPP (Discover of Efficient Electricity Price) e-bidding portal and has obtained trader membership in Indian Energy Exchange (IEX). During the FY 2022-23, Company had traded energy of 0.3 MUs with turnover of ₹ 16,89,000

9. SUBSIDIARIES AND JOINT VENTURE COMPANIES**A) SUBSIDIARY COMPANIES:**

Company has three wholly owned subsidiary companies as on 31.03.2023. The details of the subsidiaries are as under:

1. SJVN Thermal Pvt. Ltd.

SJVN Thermal Pvt. Ltd (STPL) (earlier, Buxar Bijlee Company Private Limited) has been acquired as 100% subsidiary company of SJVN Ltd on 04.07.2013. The Company has taken up the development of 1320 MW Coal based Thermal Power Project located near village Chausa in District Buxar of Bihar. The cumulative expenditure incurred up to 31.03.2023 is ₹ 7446.67 Cr. The paid-up share capital as on 31.03.2023 is ₹ 2511.68 Cr. (previous year: ₹ 2511.68 Cr).

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

SJVN Arun-3 Power Development Company Pvt. Ltd. (SAPDC) was incorporated in Nepal as a wholly owned subsidiary company of SJVN Ltd on 25.04.2013. The company has been formed to execute the 900 MW Arun-3 Hydro Electric Project in Nepal. This project is situated on river Arun in Sankhuwasabha District of Nepal. The cumulative expenditure incurred up to 31.03.2023 is ₹ 4166.76 Cr. The paid-up share capital as on 31.03.2022 is ₹ 2105.41 Cr (previous year: ₹ 2105.41 Cr).

3. SJVN Green Energy Limited (SGEL)

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

B) JOINT VENTURES:

SJVN has one joint venture as on 31.03.2023. The details of the Joint Venture are as under:

Cross Border Power Transmission Company Limited:

Cross Border Power Transmission Company Limited (CPTC) is a joint venture of SJVN Ltd. with IL&FS Energy Development Company Ltd. (IEDCL), Power Grid Corporation of India Ltd.



(PGCIL) and Nepal Electricity Authority (NEA) for implementation of Indian portion of the transmission line from Nepal. Equity contributions by SJVN, PGCIL, IEDCL & NEA are 26%, 26%, 38% & 10% respectively in the Joint Venture Company. SJVN has invested ₹ 12.61 Cr. as on 31.03.2023 in the joint venture. Transmission line is under operation since February 2016.

Note: Kholongchhu Hydro Energy Limited (KHEL) is a joint Venture Company formed on 12.06.2015 registered under the Companies Act of Bhutan. The JV was formed between SJVN and DGPC for construction and operation of 600 MW KHEP in Bhutan with 50:50 equity participation. SJVN had infused an equity contribution of INR 240 Cr towards project execution till FY 2022-23. Considering the frequent delays in the decision making in the JV due to no clear voting rights for either party in the JV, a bilateral meeting was held between the two Govts. at Thimphu, Bhutan on Oct 31, 2022. Pursuant to the discussions held during the aforesaid meeting and as desired by RGoB, the proposal for taking over of the shareholding of SJVN in KHEL by DGPC was accepted by the two Govts. In line with the mutually agreed terms & conditions, entire shareholding of SJVN in KHEL was taken over by DGPC against payment of INR 354.71 Crore, received on 19.01.2023. Nomination of SJVN Directors from the Board of KHEL has been withdrawn w.e.f. 24.01.2023.

10. ENVIRONMENT

SJVN is aware of its obligation to conserve and protect the environment. SJVN strictly adheres to all policies and guidelines of the Ministry of Environment, Forest and Climate Change (MoEF&CC), Govt. of India (GoI) concerning identification and mitigation of environmental impacts of projects. To achieve sustainable development, studies like Environmental Impact Assessment (EIA) and Environment Management Plan (EMP), which are a part of the Comprehensive Environmental Impact Assessment Study, are carried out through highly reputed organizations/NABET accredited-consultants. All environmental aspects are suitably addressed in the Environment Impact Assessment. Accordingly, an Environment Management Plan is prepared and suitable measures are adopted to negate any adverse impact on the environment and ecology during construction and operation stages. Every care is taken to implement and abide by the laws of the land in respect of the environment and ecological safeguards.

SJVN has also been in consonance with "Mission Life" launched by MoEF&CC and is striving to achieve its aims. SJVN commits to saving energy and water, reducing plastic waste and avoiding single-use plastics, adopting sustainable food systems, reducing waste and e-waste and encouraging employees for adopting healthy lifestyles.

SJVN has two hydro power stations, viz 1500 MW Nathpa Jhakri Hydro Power Station (NJHPS) and 412 MW Rampur Hydropower Station (RHPS) in Himachal Pradesh which are under operation wherein management measures such as Catchment Area Treatment (CAT), Compensatory Afforestation (CA), Muck Management, Restoration of muck disposal sites, quarry sites and construction areas, Green Belt Development, Biodiversity Management, Fisheries Management, etc. were successfully undertaken. Regular environmental monitoring is done at SJVN projects and six-monthly compliance reports of Environment Clearance are sent to MoEF&CC and other concerned authorities

SJVN has three hydroelectric projects in construction stage in Himachal Pradesh – 210 MW Luhri Stage-I HEP, 66 MW Dhaulasidh HEP and 382 MW Sunni Dam HEP and one project 60 MW Naitwar Mori HEP in Uttarakhand, which is poised for commissioning shortly.

At Luhri Stage-I HEP, Environment Management Plan amounting to

₹ 148.60 crores along with a Corporate Environment Responsibility (CER) plan amounting to ₹ 8.6 crores) is being implemented. Various Environment Management measures taken at project sites are as follows:

- An amount of ₹ 80.43 lakh has been utilized in construction of Drinking Water Supply Scheme in Nirath.
- Under Fisheries Management plan, an amount of ₹ 30 lakhs have been utilized in construction of fish landing centre in Koldam Reservoir at Sunni by HP Fisheries Department.
- An amount of ₹ 12.5 lakh has been sanctioned for construction of stage at Government Sr. Secondary School, Neether, District Kullu and ₹ 5.0 lakh has been sanctioned for construction of play ground in Government Primary School, Koel.
- For PHCs of Neether, Koel, Nirath and Shamathala an amount of ₹ 6.90 lakh has been issued for purchase of first aid and other items to provide medical treatment to locals.

At Dhaulasidh HEP, Environment Management Plan amounting to ₹ 34.14 crores are being implemented. Environment Management System (ISO 14001:2015) is also being implemented to maintain the sustainability.

This year 170 nos. solar lights and 10 nos. high mast solar lights have been installed in Hamirpur, Kangra and Mandi districts to save the energy.

For effective Solid Waste Management, 2 STPs in the project site and 1 STP near office building, Bachelor accommodation area have been installed.

Sunni Dam HEP, is in early stages of construction. An amount of ₹ 305.46 cr. has been kept for implementation of various Management measures proposed in Environment Management Plan.

In Uttarakhand, 60 MW Naitwar Mori Hydroelectric Project, which is located on Tons River in Uttarkashi Districts is in advance stage of construction.

An amount of ₹ 45.44 crores have been spent so far against a financial provision of ₹ 32.48 crores on implementation of various environmental management measures, which were also appreciated by Government officials during the last Multi-disciplinary Committee (MDC) meeting. The details have been briefly brought out below:

- For the implementation of the CAT plan, ₹ 12.96 Crores have been deposited against the CAMPA fund. An amount of about ₹ 1.41 cr have been utilized by Uttarakhand Forest Department against implementation of CAT Plan till date.
- As part of the diversion of forest land, Compensatory Afforestation (CA) over 80.00 ha of civil soyam and forest land has been carried out for which out of ₹ 1.84 crores deposited in CAMPA fund, an amount of ₹ 76.67 lakh have been spent so far against CA works by Forest Department.
- Biodiversity Conservation and Management Plan has been prepared by the State Forest Department, against which an amount of ₹ 43 lakhs have been deposited by SJVN with the Uttarakhand Forest Department. An amount of about ₹ 18.60 lakh have been spent so far against Biodiversity Conservation and Management Plan by the Uttarakhand Forest Department.
- Under the Fisheries Management Plan, a fish pass, for migratory fish species in the river, is proposed. SJVN has engaged Central Inland Fisheries Research Institute (CIFRI), Barrakpore, West Bengal who has vetted the design parameters for an effective and sustainable fish pass.



- Muck management is being implemented as per the MoEF&CC guidelines.
- To avoid landslides and soil erosion, Reservoir Rim Treatment Plan is being implemented.
- Noise levels, ambient air quality and water of the project area are being regularly monitored by Pollution Control Research Institute, BHEL at Haridwar. The monitored data shows reportable values below the permissible limits defined by regulatory bodies. Further, all high noise generating equipment have been provided with mufflers as per the manufacturers' specifications.
- Rain water harvesting system along with a 60 KLD sewage water treatment has been setup at project colony to control water pollution.
- Bio composter & Plastic waste bailing machine have been procured for treatment of solid waste of project affected villages and project colony.
- Towards sustainable development, AAC bricks (having fly ash content about 68%) was used in the construction of township and office buildings.
- Canteen facility is being provided by contractor to the labour force engaged in construction activity of the project.
- For energy conservation, energy efficient BEE 5 Star rating electrical appliances have been procured.
- Environment Management System/ISO 14001 is also being implemented.

At Nathpa Jhakri HPS, all household old tube fixtures consuming more energy have been replaced with LED type fixtures around residential colonies, and old ACs at transit camps have been replaced with new energy efficient ACs. In addition to the above, SJVN has put up a Grid-connected, 1 MW Solar power plant near Wadhah.

SJVN Corporate Headquarters (CHQ) is designed and constructed with state-of-the-art technology with green building concept equipped with Sewage treatment plant of 90 KLD per day capacity for waste water recycling, rain water harvesting system with capacity of 50 kL, natural lighting with provision of sky light glasses, fully centralized HVAC system, intelligent/automatic sensor-controlled illumination system for conservation of electricity, etc.

- 120 kW On-Grid Solar Power Plant has been installed and successfully operating in CHQ, Shimla. Further, Water Solar Heating System of 5000 Ltr. Capacity has also been installed.
- A recycling plant is also installed at CHQ building to convert kitchen waste such as vegetables, fruits etc. into compost which can be used to condition and the soil. Owing to these efforts, CHQ Building has obtained four-star GRIHA rating.
- AAC blocks (eco-friendly building material that comes from industrial waste and is made from non-toxic ingredients) are being used in construction of Auditorium Block and Guest House.
- Bio-Diversity Park, has been developed near Corporate head quarter in association with Municipal Corporation Shimla to create mass awareness and sensitivity for the environment.
- Beautification of SJVN CHQ Complex is in progress and work involves various horticulture activities. In this regard, 50 golden cypress trees have been planted on the road from National Highway to Auditorium block.

- Energy Audit of SJVN CHQ has been conducted in FY 2021-22 and is being conducted regularly every three years and recommendation of Energy Audit like improvement of power, use of LED lights in automation system etc. are being implemented.

SJVN celebrated World Environment Day on 5th June 2022 across its projects and offices with much zeal and fervour. Pledge for environment protection/conservation and talks on environmental aspects were also delivered by heads of project / power stations to spread awareness and sensitivity about environmental issues among employees. In addition to above, Slogan-writing, Drawing, Photography, best out of waste competitions, awareness programmes, etc. were also undertaken and environmental awareness films were also screened for employees. Large scale plantation programs were also undertaken across various project sites.

11. CSR AND SUSTAINABILITY

An annual report of Corporate Social Responsibility, highlighting the Company's CSR Policy, details of expenditure on CSR and overview of projects/ programs/ activities undertaken by the Company during FY 2022-23 and Impact Assessment in format prescribed under Companies (CSR Policy) Rules 2014 is annexed as **Annexure-V** and forms an integral part of this Directors' Report.

12. REHABILITATION AND RESETTLEMENT

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

Well before any project is taken up for execution, Social Impact Assessment (SIA) study is carried out to ensure that the potential socio-economic benefits accrued from the project outweigh the likely social costs and adverse social impact. Public consultation meetings with the stakeholders are held by the project authorities to make the local communities aware of developmental facilities to be created in the fields of health, education, sanitation, drinking water, approach roads and other community assets of the project and their benefits to the society. Subsequently, the R&R plan is devised based on conclusive findings derived from the socio-economic survey carried out by an independent expert agency. The R&R plan thus devised and approved essentially prescribes mitigation measures for reconstruction and regeneration of economies of the PAFs. During the implementation stage of the R&R plan, regular monitoring of R&R activities is conducted through an external independent agency to ensure the timely extension of R&R benefits to the PAFs. Subsequently on completion and implementation of the R&R plan, social impact evaluation is carried out by an independent external agency to assess various tangible and intangible benefits accrued in the area of socio-economic development. To have constant interaction with local people, a Project Information Centre is set up at project level.

Nathpa Jhakri Hydro Power Station (NJHPS) and Rampur Hydro Power Station (RHPS): The R&R plans have been successfully implemented in 1500 MW Nathpa Jhakri Hydro Power Station (NJHPS) and 412 MW Rampur Hydro Power Station (RHPS) both located in Himachal Pradesh. Several R&R benefits like employment subject to availability of employment and suitability of the candidates or financial assistance in place of employment to



start a tailor-made self-business, land for land, constructed house in rehabilitation colony or house plot with construction assistance or cash package with shifting allowance and shifting house rent, shop plot for shop in market complex, shop in project township, cattle shed grant Rehabilitation grant to landless families (i.e ₹ 45,000 to 65,000) as per the eligibility have been provided to the PAFs. Land based employment opportunity is encouraged through farm training and non- land based employment opportunity is encouraged through skill development training and financial assistance for self-business. To support the weaker section of the society financial assistance to vulnerable group families is being provided. To promote indirect employment, vehicles required for Project works are hired from PAFs and Locals on preference basis and petty contracts are offered to PAFs/ local contractors on a preference basis. In addition to these benefits, with a view to develop the area infrastructure community development facilities are provided to the local communities. The infrastructure development work includes construction of village paths, roads, rain shelters, bus stand, Panchayat Bhawan, Community Centers, Mahila Mandal Bhawans, Crematorium etc. The community development works includes health, education, safe drinking water & sanitation etc. The health facility is provided through mobile health van, project hospitals and health awareness campaign. Promotion of education is being done through aiding school infrastructure, Technical Education Scheme to the local youth, Merit scholarship schemes, promotion of sport infrastructure for the students etc. Drinking water facility is being provided through renovation of natural water sources, financial assistance to Jal Shakti Vibhag for laying of water supply scheme (WSS) and laying of sewerage system. The local farmers around RHPS have been adequately compensated for the reduction in crop yield as per the crop compensation policy of the government of HP. The PAFs under RHPS are being provided 100 units of free electricity benefit per month for ten years as per the MoP guidelines. Besides this, funds of ₹55.26 Cr. have been spent for carrying out various infrastructural development works in RHPS area under the Local Area Development Fund (LADF) policy of GOHP.

Naitwar Mori Hydro Electric Project (NMHEP): The R&R plan is in the execution stage in 60 MW Naitwar Mori Hydro Electric Project (NMHEP), Uttarakhand. Various provisions of R&R Plan i.e rehabilitation grant, subsistence allowance, widow pension, scholarship to the wards of PAFs, technical education scheme to the local youth, grant on birth of girl child, grant on marriage of daughter etc. are being provided. The Project R&R Grievance Redressal Committee has been constituted under the Chairmanship of R&R Administrator Uttarkashi. As per the recommendations of the Committee, various infrastructural and community development works like construction of community hall, marriage halls, construction of toilets, installation of solar street lights & solar fencing, infra aids to the schools, modern agricultural and horticultural equipments to the farmers etc. are being carried out in the project affected villages. Simultaneously, for the concurrent monitoring of implementation of aforesaid provision of R&R Plan of NMHEP, the External Monitoring Committee i.e M/s DAV PG College Dehradun has been appointed. The report is being finalized.

Luhri Hydro Electric Project Stage-I (LHEP Stage-1): The land acquisition process under RFCTLAR&R, Act, 2013 and mutual negotiation has been completed. The R&R Plan for project affected families (PAFs) have been approved by GoHP and being implemented.

Sunni Dam Hydro Electric Project (SDHEP): The R&R plan has been prepared and approved by GoHP. The same is being expedited with GoHP for implementation.

Dhulasidh Hydro Electric Project (DSHEP): Land compensation has been paid to the land owners. The entitlement for R&R benefits are being determined by GoHP.

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

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

Devsari Hydro Electric Project (DHEP): In Devsari Hydro Electric Project (DHEP) 194 MW, Uttarakhand, the land acquisition process under RFCTLARR Act, 2013 is in progress. The R&R plan for Project Affected Families (PAFs) is prepared in line with RFCTLARR Act, 2013 and is approved by the Govt. of Uttarakhand. District Administration, Govt. UK is collecting the details of PAFs for R&R entitlements.

Social Impact Evaluation (SIA): The Social Impact Evaluation (SIA) studies of R&R implementation of NJHPS was carried out by the Agriculture Economic Research Centre (AERC) of HPU Shimla. Similarly, SIA studies have been carried out in RHPS by RITES. The reports reveal that R&R implementation in the project affected areas has substantially enhanced the socio-economic standard of the local population on various development parameters like economy, health, education etc.

The World Bank Mission has monitored the R&R activities carried out in NJHPS and RHPS. For NJHPS they have appreciated the R&R implementation as under:

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

13. RESEARCH AND DEVELOPMENT

SJVN has been continuously striving for excellence in its core area of power generation by showing commitment towards research and development, innovation, technology up-gradation, and product development.

Specific areas in which R&D/Innovations have been carried out during FY 2022-23 are:

1. To reduce the downtime of Annual Machine Maintenance from 100 days to 20 days, R&D works of Bottom Removal of Kaplan Turbine & its components is being carried out at LHEP-1 Project.
2. Collaboration with CPRI under R&D Scheme of MoP on "Development of IoT enabled Online Health Monitoring and Maintenance System at Rampur Hydro Power Station."
3. Pilot project for producing 20 NM3/hr Green Hydrogen and 25 kW of Green Power at NJHPS, Jhakri.
4. To find out optimum lift height for pre-cooling condition, a study for the optimum height of lift for mass concreting in concrete dam structures is being carried out in collaboration with IIT Mandi.
5. SJVN has established partnerships with several academic institutions for the fiscal year 2022-23, as detailed below: -
 - a. **MOA signed with IIT Madras** on 28.07.2022 for conducting Studies on using of Alternative material other



than tungsten carbide/HVOF in Hard Coating for the development of improved Silt and Cavitation Erosion Resistance Coatings for Hydro Turbine components.

- b. **MOU signed with NIT Hamirpur** on 05.11.2022 for establishing SJVN Chair Professorship for the period of 6 years on research and development, teaching and training in the areas of Hydro, Pumped Storage Hydro (PSH), Solar, Wind, Hydrogen and Battery Energy Storage System (BESS) development in the country.
- c. **MOU signed with IIT Delhi** in December, 2022 Conducting R&D studies on High performance concrete for high sluice spillways of Dams and Barrage.
- d. **MOA signed with IIT Roorkee** on 21.03.2023 for Development of Prototype Hydrokinetic Turbine based on lab scaled model.

Apart from above R&D, 23 no. innovative/ technological upgradation measures were also taken at Project sites & Corporate Headquarter of SJVN to enhance the operational efficiency of the company. The total expenditure by SJVN for R&D/ innovations initiatives works for the FY 2022-23 was INR 14.80 Cr. (including taxes).

14. HUMAN RESOURCES

The total Manpower on the rolls of SJVN (Direct Recruits/Absorbed Employees and Fixed Term Appointees) as on 31.03.2023 was 1526 and the strength of HPSEB/HP Govt. Employees on deputation on the above date was 41.

(i) Representation of Women employees:

Group	Total Employees as on 31.03.2023	Number of Women employees	Percentage of overall staff strength
SJVN Direct / Absorbed /FTAs	1526	167	10.94
Deputationist from HPSEB/GOHP	41	3	7.31
Total	1567	170	10.84

(ii) Representation of Physically Challenged Employees:

Group	Total Employees as on 31.03.2023	Physically Challenged Employees				Percentage of Physically challenged employees
		VH	HH	OH	Total	
SJVN (DR+ Absorbed +FTAs)	1526	6	9	20	35	2.29

(iii) Representation of SC/ST & OBC employees:

Group	Total Employees as on 31.03.2023	Representation					
		SC	SC%	ST	ST%	OBC	OBC%
SJVN (DR+ Absorbed +FTAs)	1526	331	21.7	100	6.6	237	15.53

Organization gives utmost importance to the enrichment of employee skills and knowledge and is committed to continuous growth and development. During the financial year 2022-23, 07 Online programs, 86 In house programs and 100 External programs were conducted.

The trainings were imparted through organizations of national repute like IIMs, IITs, NPTIs, NAHRD, ESCI, ASCI, CBIP, and Tunneling Association of India, India Energy Storage Alliance (IESA), The Institute of Company Secretaries of India (ICSI), Directorate of Energy, H.P, Institute of Non- Destructive Testing, Kolkata, National Institute of Hydrology, etc.

The training programs were conducted on topics like Ultrasonic Testing, Policy & Procedures on GFR Rules, GeM & E-Procurement, Latest Investigation, Repair & Rehabilitation Technology for Dams, Importance of Water Quality Assessment for Durability of Concrete Structures, Emotional intelligence for Performance Management, Tunnelling with Tunnel Boring Machines, Preventive Vigilance, Solar, Wind, Thermal Power Plant Operation & Maintenance, Corporate Social Responsibility, Corporate Governance, AutoCAD, HV-Gas Insulated Switchgear, Power System Protection and Coordination, Training Program on Contract Management with Particular reference to Dispute Resolution Mechanism Pump Storage Technology & Safety by Design, Operations & Maintenance of Thermal Power Plant, Primavera P6, Workshop on Corporate Governance & Resilient Leadership for SJVN Management & Sr. Officers, ARC GIS, Linking Spirituality with Management, 5S & Kaizen and Gender Sensitivity, Power Trading & Transmission for SJVN, Power Plant Digitalization, Application of Geophysical Methods for Water Resource Projects, Training on Hydrologic Hydrodynamic Flow Analysis using HEC-HMS& HECRAC etc. to mention a few.

1. To effectively percolate the Shared Vision and motivate employees, a series of training programs namely 'Drishti- Sharing the New Shared Vision' were organized for all SJVN Executives.
2. Motivational Talk(s)- 03 No. programs were organized through renowned Motivational Speaker(s) namely, Mr. Pawan Girdhari Aggarwal, Mr. Shiv Khera and Mr. Chetan Bhagat, which were also relayed through Facebook live for employees posted at various SJVN's Projects/offices located Pan India and abroad.
3. Training program(s) on occasion of International Women's Day 2023 were organised at two locations viz Shimla and Rampur (i.e. on 7th March, 2023), which were attended by SJVN's Women employees posted at various projects/offices located across.

15. INDUSTRIAL RELATIONS

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

16. STATUTORY AND OTHER INFORMATIONS

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

- a. Management Discussion and Analysis – **Annexure – I**
- b. Report on Corporate Governance – **Annexure – II**
- c. Certificate from Practicing Company Secretary on Corporate Governance– **Annexure – III**
- d. Information on Conservation of Energy, Technology Absorption and Foreign Exchange earnings and out go – **Annexure – IV**



- e. Annual Report on Corporate Social Responsibility & Sustainability – **Annexure – V**
- f. Business Responsibility and Sustainability Report – **Annexure– VI**
- g. Certificate regarding Non-Disqualification of Directors – **Annexure – VII**
- h. Secretarial Audit Report – **Annexure – VIII**

17. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors' state that:

- in the preparation of the annual accounts for the year ended March 31, 2023, the applicable Accounting Standards read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures, if any;
- the Directors have selected such accounting policies and applied them consistently except as disclosed in the Notes on Accounts and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the profit of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a 'going concern' basis;
- the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

18. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as provided under Section 149(6) of the Companies Act, 2013 and under Regulation 25 (8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

19. SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards during the Financial Year ended 31.03.2023.

20. SEXUAL HARASSMENT PREVENTION

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

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

Summary of Sexual harassment issues raised, attended and dispensed during the year 2022-23 has been disclosed in Report on Corporate Governance.

21. RISK MANAGEMENT FRAMEWORK

SJVN has implemented Risk Management Framework as per ISO 31000:2018 consisting of the following: -

1. **Risk Identification and Assessment:** SJVN conducts thorough risk identification and assessment processes across its projects, and departments. This includes evaluating both internal factors (such as operational risks, financial risks, and compliance risks) and external factors (such as market risks, regulatory risks, and environmental risks).
2. **Risk Mitigation Plan:** Once risks are identified, SJVN develops risk mitigation plan for each risk. These plans involve implementing preventive measures, establishing control mechanisms, and implementing best practices to minimize the likelihood and impact of risks. For opportunities, SJVN devises action plans to maximize their potential benefits and value.
3. **Regular Risk Review and Reporting:** SJVN conducts periodic reviews of risks and opportunities to ensure their relevance and effectiveness. Frequency of Project level Risk steering committee meeting is quarterly basis and for corporate level Risk steering committee meeting is half yearly basis. The Risk Management committee of SJVN board convenes on biannual basis.
4. **Preventive Actions and Continuous Improvement:** SJVN emphasizes the implementation of preventive actions to address potential risks proactively. This involves conducting risk assessments, identifying control gaps, and implementing measures to strengthen controls and reduce the likelihood of risks occurring. The organization also fosters a culture of continuous improvement, regularly evaluating and enhancing risk management practices.
5. **Training and Awareness:** SJVN provides training and awareness programs to its employees to enhance risk management capabilities. This ensures that employees across the organization understand their roles and responsibilities in managing risks and capitalizing on opportunities.

22. SECRETARIAL AUDIT

The Board appointed Shri Santosh Kumar Pradhan, Practicing Company Secretary, to conduct Secretarial Audit for the Financial Year 2022-23. The Report of the Secretarial Auditors for the year ended 31.03.2023 is placed at **Annexure-VIII**. Reply of Board to observations of Secretarial Auditor is placed at **Annexure-IX**.

23. STATUTORY AUDIT

M/s APT & Co. LLP, Chartered Accountants, were appointed by Comptroller & Auditor General as Statutory Auditors of the Company for the financial year 2022-23.

The Report of the Statutory Auditors to the Members on the Standalone and Consolidated Accounts for the year ended 31.03.2023 is placed at **Annexure-X** and **Annexure-XI** respectively. Reply of Board to observations of Statutory Auditor on Internal Financial Control on the Standalone and Consolidated Accounts are placed at **Annexure-XII** and **Annexure-XIII** respectively. Observations/ Comments of the Comptroller and Auditor General (C&AG) of India on the Standalone and Consolidated Accounts for the year ended 31.03.2023 are placed at **Annexure-XIV** and **Annexure-XV** respectively. Comments of C&AG being NIL the reply by the Board thereto is not applicable.

24. ANNUAL RETURN

The Draft Annual Return in Form MGT-7 as required under Section



92(3) of the Companies Act, 2013 can be accessed at Investor Relation Section on SJVN website www.sjvn.nic.in.

25. COST RECORDS AND AUDIT

Pursuant to the Central Government directions to audit Cost Accounting Records as maintained by the Company, your Company appointed M/s A.J.S. & Associates, Cost Accountants, as Cost Auditor for the financial year 2022-23. The Cost Audit Report for the year ended 31st March 2022 was filed with MCA on 26.09.2022.

26. INTERNAL FINANCIAL CONTROL SYSTEM

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

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

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

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

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

27. RELATED PARTY TRANSACTIONS & POLICY

In compliance with the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 188 of Companies Act 2013, the company has formulated a Policy on Materiality of Related Party Transactions and dealing with Related Party Transaction, duly approved by the Board of Directors and the same has come into force with effect from 1st October 2014.

All contracts/ arrangements/ transactions entered by the company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the company had not entered into any contract/ arrangement/ transaction with related parties, which could be considered material in accordance with the policy of the company on materiality of related party transactions or provisions of SEBI (LODR) Regulations, 2015. Your attention is drawn to the Financial Statements, which sets out the Related Party Disclosures under Note no. 2.46.

The Policy on Materiality of Related Party Transactions and dealing with Related Party Transaction has been disclosed on website of the Company and may be accessed at https://sjvnindia.com/UploadFiles/Page/1215774526_PageDocument_845666099_PageDocument_Policy%20on%20Materiality%20of%20and%20Dealing%20with%20Related%20Party%20Transactions.pdf.

28. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Indian Accounting Standard (Ind AS)-110 on Consolidated Financial Statements read with Ind AS-111 on Joint Agreements and Ind AS-112 on Disclosure of Interest in other entities, the Audited Consolidated Financial Statements are provided in the Annual Report. Directors Report / Financial Statements in respect of following Subsidiary Companies are also included in this Annual Report: -

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

Statement containing salient features of the financial statements of Subsidiaries/ Joint Ventures of SJVN Ltd. pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014, in form AOC-I forms part of the Consolidate Financial Statements.

29. DETAILS OF DIRECTORS OR KMP APPOINTED/ RESIGNED

During the FY 2022-23, the following changes took place in the composition of the Board of Directors or KMP of the Company: -

- Shri Raghuraj Madhav Rajendran, Joint Secy., Ministry of Power, Government of India (Gol) ceased as Part Time Official Director (Gol Nominee) on withdrawal of Nomination by appointing authority w.e.f. 30th November 2022.
- Shri Ajay Tewari, Additional Secretary, Ministry of Power, Government of India (Gol) was appointed as Part Time Official Director (Gol Nominee) w.e.f. 01st December 2022.
- Shri Ram Dass Dhiman, Additional Chief Secretary (Power) ceased as Part-Time Official Director (GoHP Nominee) on withdrawal of Nomination by appointing authority w.e.f. 31st December 2022.
- Shri Rajeev Sharma, Secretary (MPP & Power) was appointed as Part Time Official Director (GoHP Nominee) w.e.f. 21st February 2023.
- Dr. Shashikant Jagannath Wani was appointed as Independent Director w.e.f. 13th March 2023.

The following changes took place during the current financial year 2023-24 till the date of the Director's Report:

Shri S.P. Bansal, Director (Civil), who was suspended by Ministry of Power, Government of India Order No. C-13011/52/2022-V&S dated 28 July, 2022 ceased as Director (Civil) consequent to attaining the age of superannuation on 31st July, 2023.

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

The Board Meetings held during the Financial Year 2022-23 and the attendance of the Directors therein is mentioned in the Report on Corporate Governance.

30. BOARD LEVEL COMMITTEES

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

31. KEY MANAGERIAL PERSONNEL

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



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

32. IMPLEMENTATION OF OFFICIAL LANGUAGE

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

Under section 3.3(i) of Official Language Act cent percent documents were issued bilingually & all the letters received in Hindi were replied to in Hindi. Company's website is already in bilingual form and it is updated from time to time.

To encourage executives and non-executives to do their entire work in Hindi, number of incentive schemes are under implementation namely Payment of increment of three months during the year, for doing his/ her whole office work in Hindi and during the year and under this scheme a total 207 Employees/ Officers were awarded cash prizes amounting to ₹ 13,84,140/- (Approx.).

15 Hindi workshops / seminars have been organized and 326 no. of executives and non-executives have been trained. Organising of Hindi quiz competitions on national / important occasions and other competitions (i.e. Nibhand (Essay writing), Kahani, Noting-drafting, Shabdarth gyan, Sulekh, Hindi Vyakaran Rajbhasha Niti & Shodhpatra competition) is a regular feature and besides this number of competitions were also organised during "Hindi fortnight". In these competitions 286 no. of employees were awarded cash prizes amounting to ₹ 3,22,800/-.

To popularise Hindi in a big way a 'Akhil Bhartiya Kavi Sammelan' was organised on 22.09.2022 at Shimla, 26.09.2022 at NJHPS & 27.09.2022 at RHPS.

Half yearly meetings of the Town Official Language Implementation Committee, Shimla (Office-2) constituted for the CPSUs & Banks etc. were held on 15.07.2022 & 29.12.2022. Similarly, Rajbhasha Seminar has been organised on 23.09.2022 for TOLIC, Shimla (Office-2) employees and the awards of TOLIC Rajbhasha Shield were given to the members of TOLIC, Shimla (Office-2) on 29.12.2022 for the best performance in Official Language Hindi.

To give impetus to the multi-facet talent of employees an in-house bi-annual Hindi magazine "Himshakti" was published and circulated. Out of total expenditure on purchase of books, 89.47% of amount was spent on purchase of Hindi books.

33. AWARDS & ACHIEVEMENTS

1. **8th April 2022-** SJVN conferred with 13th CIDC Vishwakarma Awards 2022 in the categories of 'Corona Warriors Award' and 'Partners in Progress.'
2. **8th May 2022-** SJVN conferred with 'Most Efficient & Profitable Mini Ratna of the Year' Award.
3. **12th May 2022-** SJVN awarded NTPC Rajbhasha Shield Third Prize for best implementation of Official Language Policy during 2018-19 & 2019-20.
4. **10th June 2022-** Sh. Nand Lal Sharma, Chairman & Managing Director, SJVN honoured with 'PSU Award of the Year' 2021.
5. **27th June 2022-** SJVN bagged first position in 'Swachhta Pakhwada Award 2022' conferred by MOP.
6. **25th August 2022-** SJVN conferred with 'Greentech Award for outstanding achievements in Environment Protection'.

7. **28th August 2022-** SJVN won Two 'Gold Awards' in 12th Exceed Environment, HR & CSR Awards 2022.
8. **18th January 2023-** Sh. Nand Lal Sharma, Chairman and Managing Director, SJVN conferred with prestigious 'Leading Director Award' during 2nd Annual Greentech Awards 2023.
9. **19th January 2023-** SJVN awarded 'Greentech International Environment, Health & Safety (EHS) Best Practices Award' 2023.
10. **20th February 2023-** Sh. Nand Lal Sharma, Chairman and Managing Director, SJVN Limited honoured with 'Individual Award for outstanding contribution for development of the Water, Power & RE Sector' by CBIP.

34. OTHER MAJOR DEVELOPMENTS

1. **11th April 2022-** DPR for 669 MW Lowe Arun HEP approved by IBN, Nepal
2. **16th May 2022-** MoU for 490 MW Arun-4 Hydro Electric Project in Nepal signed in benign presence of Prime Minister of India and Nepal.
3. **24th June 2022-** Corporate Head Quarters 'Shakti Sadan' rated Four Star by 'GRIHA' Council.
4. **5th August 2022-** SJVN secured 200 MW Solar Power Project through e-reverse auction by MSEDCL.
5. **24th August 2022-** SJVN signed MoU with Govt. of Rajasthan for developing 10 GW renewable energy projects/parks in the state.
6. **15th September 2022-** Sh. Nand Lal Sharma, Chairman & Managing Director, presented with Token of Appreciation in recognition of his valuable contribution for the development of energy sector in Nepal.
7. **18th October 2022-** MoU signed between SGEL and Assam Power Distribution Company Limited for developing 1000 MW Floating Solar Power Projects in Assam.
8. **19th October 2022-** SJVN obtained 105 MW Floating Solar Project through e-reverse auction held by MAHAGENCO.
9. **24th November 2022-** Successful commissioning of 75 MW Parasan Solar Power Project, Uttar Pradesh.
10. **25th November 2022-** SJVN is now ISO 31000:2018 Company with successful implementation of Risk Management System.
11. **1st December 2022-** SJVN signed MOU for 3000 MW Hydro & Solar Power Projects in Odisha.
12. **3rd December 2022-** SJVN secured 200 MW Solar Power Project in Maharashtra.
13. **23rd December 2022-** SJVN won 100 MW Wind Power Project @ ₹ 2.90 per unit on build own and operate basis through e-reverse auction by SECI.
14. **3rd January 2023-** Hon'ble President of India, Smt. Droupadi Murmu, laid the foundation stone of SJVN's 1000 MW Bikaner Solar Power Project at Jaipur, Rajasthan.
15. **4th January 2023-** CCEA approved the investment of ₹ 2614 crore for 382 MW Sunni Dam Hydro Electric Project in Himachal Pradesh.
16. **25th February 2023-** SJVN bagged 'CBIP Award for Best Performing Utility in Hydro Power Sector'.
17. **15th March 2023-** SJVN entered into an MoU with IOCL for formation of Joint Venture for developing of renewable energy projects & energy storage systems.



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

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are as under: -

Particulars	Details
Loans given	Refer Note 2.6 and 2.14 to standalone financial statements
Investments made	Refer Note 2.5 to standalone financial statements
Guarantees given	Refer Note 2.50
Securities provided	Nil

36. DETAILS OF NON-CONVERTIBLE SECURITIES ISSUED

In the previous year (FY 2021-22) Company has raised the fund of ₹ 1000 Cr. through private placement of Non-Convertible, Redeemable Debenture at a coupon rate of 6.10% p.a having maturity at 5-year tenor. No new NCD raised in the FY 2022-23.

37. DETAILS OF EXTERNAL COMMERCIAL BORROWINGS (ECB)

SJVN has tied up the USD 500 Million from PNB Dubai in FY 2021-22 out of which USD 300 Million has been disbursed and utilized towards capital expenditure in ongoing projects. Further, during FY 2022-23, Company has decided not to avail the balance amount of USD 200 million. The total outstanding borrowings of PNB, Dubai was ₹ 2431.64 Cr. as on 31.03.2023 (Previous Year 2230.28Cr.)

In addition to above during the FY 2022-23, SJVN has also tied-up the ECB amounting to JPY 15 Billion at an interest rate of TORF Plus 1.10 Bps p.a. and upfront processing fee of 0.80% of total commitment. The entire ECB will be utilized to meet out the Capital expenditure of 100 MW Raganesda Solar Power Project in the state of Gujarat and 90 MW Omkareshwar Floating Solar Power Project in the state of Madhya Pradesh. The loan amount is yet to be disbursed.

The outstanding foreign currency loan from World Bank for Financing RHPS was ₹1423.92 Cr. as on 31.03.2023 (Previous Year ₹ 1534.40 Cr.)

38. GENERAL

Directors of your Company state that no disclosure or reporting is required in respect of the following items as there were no transactions/ events on these items/ matters during the year under review:

1. The Company has not accepted any deposits during the year under review.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

4. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
5. There have been no Material Changes and Commitments affecting the financial position of the company which have occurred between the end of the financial year 2022-23 and the date of this report.
6. The company has not made any buyback of shares during the year under review.
7. There have been no changes in the nature of business of the company during the year.
8. No application was made or any proceeding was pending against SJVN Limited under the Insolvency and Bankruptcy Code, 2016 during the financial year 2022-23.

39. ACKNOWLEDGEMENT

The Board of Directors acknowledge with deep appreciation, the co-operation and guidance extended by various Ministries/ Departments of the Government of India, particularly, Ministry of Power, Ministry of Finance, Ministry of External Affairs, Ministry of Environment & Forest, Central Electricity Authority, Central Water Commission, Geological Survey of India, the Government of Nepal, the Government of Himachal Pradesh, State Governments of Bihar, Uttarakhand, Gujarat, Uttar Pradesh, Maharashtra, Assam, Arunachal Pradesh, Jharkhand, Rajasthan, Punjab and Madhya Pradesh the State Electricity Boards and the World Bank.

Your Directors also convey their gratitude to the shareholders, various international and Indian banks and financial institutions for the confidence reposed by them in the Company. The Board also acknowledges and appreciates the contribution made by Contractors, Vendors, Consultants and others for achieving the planned goals of the Company.

The Board also places on record its deep appreciation of valued cooperation extended by the Office of the Comptroller and Auditor General of India and the Auditors. Last but not least, the Board commends the hard work and dedicated efforts put in by the employees of the Corporation including the employees on deputation at all levels.

For and on behalf of Board of Directors

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

**Date: 9th August, 2023
Place: New Delhi**



MANAGEMENT DISCUSSION AND ANALYSIS

1. INDUSTRY OVERVIEW / INDUSTRY STRUCTURE AND DEVELOPMENTS

All India installed power generation capacity as on 31.03.2023 was 4,16,058.89 MW. A capacity addition of 8830 MW was targeted during the year 2022-23 comprising 6350 MW of thermal, 1080 MW of hydro power and 1400 MW nuclear power. Capacity addition of 1580 MW comprising 1460 MW of thermal and 120 MW of hydro power was achieved up to 31.03.2023.

Industry scenario indicates that there is ample opportunity for consistent growth of business in hydro, renewable and thermal energy sectors in the times to come with growth in demand. Company is developing 1320 MW super-critical thermal power project at Chausa, District Buxar in Bihar, 900 MW Arun-3 HEP in Nepal, 60 MW Naitwar Mori HEP in Uttarakhand, 210 MW Luhri Stage-I HEP, 66 MW Dhaulasidh HEP, 382 MW Sunni Dam HEP and 15 MW Nangal Dam Floating SPP in Himachal Pradesh, 70 MW Bagodara SPP and 100 MW Raghnesda SPP in Gujarat, 1000 MW IREDA Solar Power Project in Rajasthan, 75 MW Gurhah SPP and 50 MW Gujrai SPP in Uttar Pradesh, 90 MW Omkareshwar Floating SPP in Madhya Pradesh and 100 MW PSPCL SPP in Punjab.

As regards hydro potential, India has an estimated hydro power potential of about 1,50,000 MW out of which only about 46850.17 MW (as on 31.03.2023) has been commissioned. The bulk of the unharnessed potential is located in the hill states/UTs of Arunachal Pradesh, Uttarakhand, Himachal Pradesh, Sikkim and Jammu & Kashmir. With fast increase in installed capacity of solar power, which is diurnal in nature, hydropower with its peaking power has huge potential to contribute towards grid stability. The above industry scenario signifies that there is ample opportunity for consistent growth of business in hydro sector.

2. SWOT ANALYSIS

A. STRENGTHS:

- SJVN has gained wide experience and expertise in development of large hydro power projects from concept to commissioning including operation & maintenance and management of silt during project operation. SJVN has in-house 'State of art' hard coating facility installed at one of the power stations.
- SJVN has in-house capability for complete design of mega hydro power projects, large value contract award, contract & project management.
- SJVN has efficient plant operation expertise with minimal down time of machines and maximizing the Plant Availability Factor.
- SJVN has stable revenue stream through long term power purchase agreements with distribution licensees. The allocation of power from its power stations is made as per PPAs and by the Ministry of Power, Government of India.
- Historical financial performance and steady cash flows over the years make SJVN capable of funding the pipeline of projects.
- SJVN is lean and thin organization - high manpower productivity in terms of profit per employee.

- SJVN has competent and committed workforce. SJVN fully recognize that the contribution of its employees is integral to the achievement of its ambitious plans and has thus adopted an organizational philosophy which acknowledges and rewards their contributions.
- SJVN has effective implementation of National R&R policies and excellence in CSR activities.
- SJVN has dynamic leadership and effective Corporate Governance.

B. WEAKNESSES:

- NJHPS and RHPS are cascade schemes and operating in tandem. Any difficulties faced in the operation of NJHPS will have direct consequences on power generation of RHPS.
- Inadequate powers to incur expenditure on pre-construction activities and business developments/investment before establishing project viability of hydro projects.
- Initial high tariff of hydro projects- New hydro projects have higher tariff in the initial few years. It is difficult to compete with cheaper renewables and thermal power.
- Reluctance of state governments to allot hydro/PSP projects.

C. OPPORTUNITIES:

- The unharnessed hydro potential of 1,03,150 MW (as on 31.03.2023) primarily located in the hill states/UTs of Arunachal Pradesh, Uttarakhand, Himachal Pradesh, Sikkim and Jammu & Kashmir.
- SJVN is diversifying into alternate energy sources such as Wind & Solar Energy and Power Transmission. SJVN is constantly striving to expand its base both in National and international arena.
- Push for Pump Storage Plant to complement the intermittency of renewable power.
- Hon'ble Prime Minister announcement during COP26 Glasgow that India will reach its non-fossil energy capacity to 500 GW by 2030 is creating ample opportunities in renewable energy sector.

D. THREATS:

- Most of the hydro-electric projects are located in remote locations and are prone to natural calamities such as cloud burst, land slide, road block etc. These natural calamities also contribute to delays, unforeseen events.
- Stringent norms and cumbersome procedures for getting environment clearance, forest clearance and clearance from National Board for Wild Life (where ever applicable) delay the commencement of construction of projects.
- In spite of extensive survey and investigations, the probability of geological surprises in various components of hydroelectric projects in young Himalayan ranges pose great technical challenge involving extremely cost intensive and time-consuming measures.



- With the tariffs of solar and wind power projects going down, development of hydro power projects, which is the core strength of SJVN, is becoming increasingly less viable.
- Any Technological breakthrough which makes battery storage systems for storing renewables energy economical may make hydro power generation unviable.
- Non signing of Power Purchase Agreements (PPAs) by beneficiaries for new hydro projects and disowning signed PPAs where tariff of the project is high.

3. OUTLOOK

Outlook of India's power generation looks promising with expected increase in industrial production and Government of India's mission to provide 24x7 electricity to all. SJVN has prominent role to supply affordable power to provide 24x7 electricity to all. SJVN has already developed 7 power stations with installed capacity of 2091.5 MW a (including two hydro, two wind and three solar project) across the country. SJVN is diversifying its portfolio by taking different renewable energy projects, details of which are mentioned elsewhere in this report. Subsequent to the announcement of Green Hydrogen Policy by Govt. of India, SJVN has also started taking up preliminary actions to set up Pilot Green Hydrogen as R&D Project in Himachal Pradesh. With fourteen projects under construction, SJVN is poised to add 3765 MW during FY 2024 and 1598 MW during FY 2025. Commissioning of these projects will aid the company achieve strong financials and cash flows to emerge a stronger and bigger company.

4. RISKS AND CONCERNS

SJVN Limited has established a comprehensive and effective risk management system. National Productivity council, after audit of Risk Management System of SJVN Limited has certified that SJVN Limited has successfully implemented Risk Management System as per the guidelines of ISO 31000:2018. SJVN Limited is the first CPSU to achieve this distinction.

In SJVN, all departments and project sites have identified and documented potential risks. Risk management objectives and policy have been developed to mitigate the identified risks and prioritize them based on their likelihood and potential impact. Risk have been categorised as High, Medium and Low.

5. RISK MANAGEMENT FRAMEWORK

SJVN has implemented Risk Management Framework as per ISO 31000:2018 consisting of the following: -

- 1. Risk Identification and Assessment:** SJVN conducts thorough risk identification and assessment processes across its projects, and departments. This includes evaluating both internal factors (such as operational risks, financial risks, and compliance risks) and external factors (such as market risks, regulatory risks, and environmental risks).
- 2. Risk Mitigation Plan:** Once risks are identified, SJVN develops risk mitigation plan for each risk. These plans involve implementing preventive measures, establishing control mechanisms, and implementing best practices to minimize the likelihood and impact of risks. For opportunities, SJVN devises action plans to maximize their potential benefits and value.
- 3. Regular Risk Review and Reporting:** SJVN conducts periodic reviews of risks and opportunities to ensure their relevance and effectiveness. Frequency of Project level Risk steering committee meeting is quarterly basis and for corporate level Risk steering committee meeting is half yearly basis. The Risk

Management committee of SJVN board convenes on biannual basis.

- 4. Preventive Actions and Continuous Improvement:** SJVN emphasizes the implementation of preventive actions to address potential risks proactively. This involves conducting risk assessments, identifying control gaps, and implementing measures to strengthen controls and reduce the likelihood of risks occurring. The organization also fosters a culture of continuous improvement, regularly evaluating and enhancing risk management practices.

- 5. Training and Awareness:** SJVN provides training and awareness programs to its employees to enhance risk management capabilities. This ensures that employees across the organization understand their roles and responsibilities in managing risks and capitalizing on opportunities.

6. FINANCIAL DISCUSSION AND ANALYSIS

A detailed financial discussion and analysis is furnished below on the Audited Financial Statements of the company for the financial year 2022- 23 vis-à-vis financial year 2021-22.

Notes referred in below paragraphs are part of the Standalone financial statements for the financial year 2022-23 placed elsewhere in this report.

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

A. RESULTS OF OPERATIONS

1. INCOME:

	F.Y. 2022-23	F.Y. 2021-22
Units of Electricity Generated (Million Units)	9282.96	9207.07
INCOME	₹ in Crore	
1.Revenue from Operations		
a) Energy Sales	2807.97	2408.68
b) Consultancy Income	9.59	2.64
c) Other Operating Revenues	117.85	10.64
Total Revenue from Operations	2935.41	2421.96
2. Other Income		
a) Interest		
- On deposits, advances to employees, contractors and Others etc.	188.88	113.98
b) Late Payment Surcharge from Beneficiaries	34.06	61.41
c) Gain on transfer of Shares in Joint Venture	114.28	---
d) Others	26.21	28.19
Total Other Income	363.43	203.58
Total Income	3298.84	2625.54

The income of the Company comprises of income from sale of electricity, interest & late payment surcharge received from beneficiaries, consultancy, interest earned on investment of surplus



funds, gain on transfer of shares in joint venture and dividend from Joint Venture Company etc. The gross income for financial year 2022-23 is ₹ 3298.84 crore as compared to ₹ 2625.54 crore in the previous year registering an increase of 25.64 %. The increase in gross income is mainly due to arrears of energy sales & interest thereon pertaining to earlier years on receipt of tariff orders of hydro power plants for the period 2014-19 and 2019-24 and gain on transfer of shares in joint venture.

Tariff for computation of sale of energy

The sale of Hydro Power by the Company is governed by the tariff fixed by the Central Electricity Regulatory Commission (CERC) pursuant to the tariff policy issued by the Govt. of India. The Central Electricity Regulatory Commission (CERC) has notified the Tariff Regulations, 2019 containing inter-alia the terms & conditions for determination of tariff, applicable for a period of five years with effect from 01.04.2019. CERC has approved the tariff of hydro power stations as per above regulations. Tariff is determined with reference to Annual Fixed Charges (AFC) (which comprises of Return on Equity (ROE), Depreciation, Interest on Loan, Interest on Working Capital and Operation & Maintenance Expenses. ROE is grossed up with effective income tax rate of the respective financial year so as to recover the income tax incidence). For the purpose of recovery, AFC is bifurcated into two equal parts i.e., Energy Charges and Capacity Charges. Recovery of Energy Charges is dependent upon energy generated and full recovery is ensured when schedule design energy level is achieved. Generation over and above design energy entitles for additional revenue in the form of secondary energy charges as well as incentive by way of deviation charges where the Power Station of the Company contribute towards maintaining grid stability. Recovery of capacity charges is dependent on the actual availability of plant for generating power with reference to Normative Annual Plant Availability Factor (NAPAF). Company is entitled to receive incentives for achieving higher Plant Availability Factor against NAPAF. The sales also include reimbursement on account of Foreign Exchange Rate Variation (FERV) and Man Power Cost on pay revision.

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

Revenue from Operations (Note 2.32)

Energy Sales

Company sells electricity to bulk customers comprising mainly, Electricity Utilities owned by State Governments and private distribution companies. Sale of electricity is generally based on long term Power Purchase Agreements (PPAs) entered with such Utilities. Sales for the financial year 2022-23 have been recognized at ₹ 2807.97 crore as compared to ₹ 2408.68 crore during the financial year 2021-22.

Energy sales include an amount of ₹ 270.33 crore (previous year ₹ (68.46) crore) pertaining to earlier years.

Sales includes an amount of ₹ 210.29 crore (previous year ₹208.36 crore) on account of capacity incentive in respect of hydro power stations mainly due to achievement of higher plant availability factor as compared to Normative Plant Availability Factor.

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

The details of Generation & Plant Availability Factor (PAF) in respect

of Hydro Power Stations are given below:

Particulars	NJHPS		RHPS	
	2022-23	2021-22	2022-23	2021-22
Design Energy (MUs)	6612	6612	1878	1878
Gross Generation (MUs)	7133.00	7067.37	1997.45	1981.20
Normative PAF (%)	90	90	85	85
Actual PAF (%)	106.65	106.60	106.22	106.36

Sales also includes Unscheduled Interchange (UI) Charges amounting to ₹ 43.63 crore (previous year ₹ 44.21 crore) for the positive deviation in generation with respect to schedule, at rates notified by CERC from time to time.

Revenue from Wind/Solar Power Projects:

The revenue from sale of power from Renewal Projects (Wind and Solar Power) has decreased by ₹ 2.25 crore due to slight decrease in generation of Wind and Solar Power by 5.99 MUs (current year 152.51 MUs) (Previous year: 158.50 MUs).

Consultancy

Revenue from operations also includes an amount of ₹ 9.59 crore (Previous Year ₹ 2.64 crore) towards consultancy charges. Consultancy for the year was provided to subsidiary company SJVN Arun-3 Power Development Company Pvt. Ltd. (SAPDC), Nepal.

Other Operating Revenue:

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

Accordingly the interest from the beneficiaries amounting to ₹ 116.94 crore (previous year: ₹ 7.98 crore) has been recognised on account of revision of tariff by CERC in respect of hydro plants for the period 2014-19 and 2019-24.

During the year company has commenced the business of Power Trading and power amounting to ₹ 0.17 crore was sold.

Revenue from operations for F.Y. 2022-23 constitutes 88.98% of total income as compared to 92.25% for F.Y. 2021-22.

Other Income (Note 2.33)

Other income mainly comprises of interest income on short term deposits with banks, late payment surcharge, interest from employees, contractors and gain on transfer of shares in joint venture etc., other income for the year has increased by ₹ 159.85 crore to ₹ 363.43 crore as compared to ₹ 203.58 crore during previous year registering an increase of 78.52%. This is mainly on account of gain on transfer of shares in joint venture by ₹ 114.28 crore (current year ₹ 114.28 crore) (previous year ₹ Nil).

Major components of other income is as under:

(₹ In Crore)

Other Income	Financial Year 2022-23	Financial Year 2021-22
Interest from Banks	139.20	96.12
Late Payment Surcharge from Beneficiaries	34.06	61.41
Gain on Transfer of Shares in Joint Venture	114.28	----



Other Miscellaneous Income (Including Liquidated Damages, excess provision/sundry credit balances written back, receipt of maintenance of ICF, Interest from Subsidiary Companies, Employees, Contractors, Others, foreign currency fluctuation adjustment and dividend from Joint Venture Company)	75.89	46.05
Total Income	363.43	203.58

2. EXPENDITURE

(₹ In Crore)

Expenditure	Financial Year 2022-23	Financial Year 2021-22
Purchase of Electricity for Trading	0.17	---
Employee Benefits Expense (Note 2.34)	294.85	289.41
Finance Costs (Note 2.35)	432.23	161.34
Depreciation and Amortisation (Note 2.36)	390.59	404.29
Other Expenses (Note 2.37)	419.24	403.80
Total Expenditure	1537.08	1258.84

The total expenditure of the Company has increased by 22.10 % to ₹ 1537.08 crore in the financial year 2022-23 from ₹ 1258.84 crore in financial year 2021-22 mainly on account of increase in finance cost by ₹ 270.89 crore. Total expenditure as percentage of total income during the F.Y. 2022-23 was 46.59% as compared to 47.95% during the F.Y. 2021-22.

Purchase of Electricity for Trading

During the year company has commenced the business of Power Trading and power amounting to ₹ 0.17 crore was purchased.

Employee Benefits Expense

The Employee Benefits Expense includes Salaries and Wages, Allowances, Incentives, Contribution to Provident & Other Funds and Welfare Expenses. These Expenses accounted for 19.18 % of total expenditure in F.Y.2022-23 as compared to 22.99 % in F.Y. 2021-22.

The Employee Benefits Expense during the year was ₹ 294.85 crore (previous year ₹ 289.41 crore) i.e., an increase of ₹ 5.44 crore in comparison to the previous year. The Increase mainly on account of annual increment & increase in DA etc.,

Finance Costs

The Finance Cost mainly consists of interest on Rupee Term Loans, Foreign Currency Loans, Guarantee Fees, interest on bonds etc. The borrowings are denominated in rupees, including those in foreign currencies, for accounting purposes. During the current financial year, finance costs increased by ₹ 270.89 crore (current year ₹ 432.23 crore, previous year ₹ 161.34 crore). The increase during the year as compared to previous year was due to increase in long term and short-term borrowings and increase of exchange rate as on 31.03.2023 on foreign currency loans.

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

- Increase of FERV on restatement of foreign currency loans as on 31.03.2023 by ₹ 130.41 crore (current year ₹ 203.94

crore (Previous Year ₹ 73.53 crore) on account of increase in foreign currency rate from ₹ 76.17 (31.03.2022) to Rs. 82.57 (31.03.2023). However, an amount of ₹ 119.70 crore in respect of RHPS is recoverable from beneficiaries and have no impact on the profitability as the same has been accounted for as regulatory deferral account.

- Increase in interest on foreign currency borrowings by ₹ 96.60 crore (current year ₹ 119.20 crore) (previous year ₹ 22.60 crore) mainly due to increase in rates of Secured overnight Financing Rate (SOFR) from 0.56 % to 4.92% including variable spread.
- Increase in interest on domestic borrowings by ₹ 41.13 crore (current year ₹ 86.47 crore) (previous year ₹ 45.34 crore) due to additional borrowing raised during the year.

Depreciation and Amortisation Expenses

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

The depreciation and amortisation cost during the year has decreased by ₹ 13.70 crore, Current year ₹ 390.59 crore (Previous year ₹ 404.29 crore). Depreciation and amortisation represent 25.41 % of our total expenditure during F.Y.2022- 23 in comparison to 32.12 % during F.Y. 2021-22. This is mainly due to change in accounting policy of charging depreciation on renewal power projects by estimating the life of these projects as 25 years in line with the CERC regulations.

Other Expenses

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

Other Expenses represents 27.28 % of total expenditure during F.Y. 2022-23 in comparison to 32.08 % during F.Y.2021-22. In absolute terms the expenses were ₹ 419.24 crore in F.Y. 2022-23 as compared to ₹ 403.80 crore during previous year. This is higher by ₹15.44 crore as compared to previous year. The increase is mainly due to increase in expenses of repair and maintenance of plant & machinery, insurance, security, training, CSR and Interest on arbitration awards etc.

Exceptional Items (Note 2.38)

During the year, company has received arbitration awards in respect of Hydro Power Stations. A provision has been made as per the policy of the company. Interest on these arbitration awards amounting to ₹ 29.63 crore up to 31.03.2022 has been charged to profit & loss as exceptional item. This amount has also been included in movement in regulatory deferral account balance as the same is recoverable from beneficiaries through tariff in future.

Net Movement in Regulatory Deferral Account Balance (Note 2.39)

The company is mainly engaged in generation and sale of electricity. The price to be charged by the company for electricity sold from hydro power projects to its customers is determined by the CERC which provides guidance on the principles and methodologies for determination of the tariff. The tariff is based on allowable costs like interest, depreciation, operation & maintenance expenses, etc. with a stipulated return on equity.



As per the CERC Tariff regulations any gain or loss on account of exchange rate variation during the construction period shall form part of the capital cost. Exchange differences arising from settlement/translation of monetary item denominated in foreign currency to the extent recoverable from or payable to beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized on an undiscounted basis as regulatory deferral account debit/credit balance and adjusted from the year in which the same becomes recoverable from or payable to the beneficiaries. The same is accounted for as per Ind AS 114- 'Regulatory Deferral Accounts'. Accordingly, an amount of ₹ 71.95 crore (Previous year ₹15.42crore) has been debited to Regulatory Deferral Account Debit Balance.

During the year, company has received arbitration awards in respect of Hydro Power Stations. The interest on arbitration award charged to profit & loss amounting to ₹ 63.84 crore (Previous year ₹ 25.59 crore) has been included in movement in regulatory deferral account balance as the same is recoverable from beneficiaries through tariff in future.

O&M expenses excluding security expenses are fixed by CERC in tariff regulations 2019-24. Considering the methodology followed by CERC for allowing impact of the previous pay revision, tariff orders issued by CERC under Regulations,2014 and the provisions related to change in law of CERC Tariff Regulations,2014, a regulatory asset has been created (Regulatory deferral account debit balance) towards the O&M expenditure. During the year tariff orders of Hydro Power Stations have been received in respect of employee benefit expense (pay revision) and accordingly an amount of ₹ (148.27) crore (Previous year ₹ nil) has been adjusted from movement in regulatory deferral account balance.

Accordingly, for the financial year 2022-23 the regulatory income (net off tax) recognized in the statement of Profit and Loss on account of FERV, O&M/Security expenses and interest on arbitration awards together amount to ₹ (10.30) crore (Previous year ₹ (43.82) crore).

Profit before net movement in regulatory deferral account balances and Tax

Profit before net movement in regulatory deferral account balances and tax increased by 28.93 % to ₹ 1732.13 crore during F.Y. 2022-23 as against ₹ 1343.44 crore during previous year due to the reasons explained above.

Tax Expenses:

Current Tax Expense

The Company recognises tax on income in accordance with provisions of Income Tax Act. During the year, the Company is liable to pay tax equivalent to Minimum Alternate Tax (MAT). The Current Tax including adjustment relating to earlier years is ₹ 312.59 crore as compared to ₹ 229.09 crore during previous year. The increase in tax incidence is due to increase in Profit before tax.

Deferred Tax (Note 2.8)

Deferred tax for the year is on account of temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. An amount of ₹ 45.79 crore has been recognised as deferred tax during F.Y. 2022-23 as against ₹ 93.01 crore during the F.Y. 2021-22. The decrease in deferred tax liability debited to statement of profit and loss during the year was mainly due to decrease in temporary difference in carrying amount of PPE and MAT credit utilisation.

Other Comprehensive Income

The Other Comprehensive Income (OCI) is on account of re measurement of net defined benefit liability/asset in respect of

employees. OCI net of tax for the financial year 2022-23 is ₹ (2.02) crore in comparison to ₹ (1.63) crore during financial year 2021-22.

Cash Flows

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

(₹ in Crore)

Particulars	F.Y. 2022-23	F.Y. 2021-22
Opening cash & cash equivalent	(291.04)	(11.58)
Net cash from operating activities	1576.12	1650.43
Net cash used in investing activities	(1805.41)	(4259.10)
Net cash flow from financing activities	352.30	2329.21
Net increase/(decrease) in cash and cash equivalent	123.01	(279.46)
Closing cash and cash equivalents	(168.03)	(291.04)

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

Net cash generated from Operating Activities was ₹1576.12 crore during the year 2022-23 (Previous year ₹1650.43 crore). The decrease is mainly due to unbilled revenue on account FERV and employee benefit expense (pay revision) recoverable from beneficiaries.

Net cash from cash outflow on investing activities was ₹ (1805.41) crore as compared to ₹ (4259.10) crore in the previous year. Cash outflow on investing activities is mainly on Property, Plant & Equipment, Capital Work in progress and investment in subsidiary companies etc. Decrease in investing activities is mainly due to decrease of investment in term deposits with bank by ₹ 1943.31 crore [(current year ₹ (100.15) crore) (previous year ₹ (2043.46) crore)]. There is also a decrease in investment in Property, Plant & Equipment and Capital Work in progress etc by ₹ 382.06 crore (current year ₹ 900.71 crore) (previous year ₹ 1282.77crore). There is an increase in investment in subsidiary companies by ₹ 306.76 crore (current year ₹1300.00 crore) (previous year ₹ 993.24 crore)

During the year the net cash inflow of ₹ 352.30 crore from financing activities (Previous year ₹ 2329.21 crore as detailed below:

Borrowings amounting to ₹1864.69 crore was raised during the year as compared to ₹ 3338.41crore during the previous year and borrowings amounting to ₹ 564.67 crore was repaid in the year 2023 (Previous year ₹315.78 Crore). In the year 2023, cash outflow on account of payment of dividend including interim dividend thereon was ₹667.99 crore (Previous year ₹610.54 crore). Interest & Finance charges paid during the year was ₹290.57 crore (Previous year ₹77.05 crore).

B. FINANCIAL POSITION

The items of the Balance Sheet are as under:

ASSETS:

1. Non-Current Assets

(₹ in Crore)

Particulars	As at March 31,	
	2023	2022
Property, Plant and Equipment (Note 2.1)	7093.99	7290.62
Capital Work-in-progress (Note 2.2)	3028.69	2226.15
Intangible Assets (Note 2.3)	8.44	21.28



Intangible Assets Under Development (Note 2.4)	---	0.41
Financial Assets		
- Investments (Note 2.5)	5931.45	4921.88
- Loans (Note 2.6)	93.64	96.84
- Others (Note 2.7)	198.47	186.48
Deferred Tax Assets (Net) (Note 2.8)	483.92	529.71
Other Non-Current Assets (Note 2.9)	666.57	561.73
Total	17505.17	15835.10

Non-Current Assets has increased by 10.55 % to ₹ 17505.17 crore (Previous year ₹15835.10 crore).

Property, Plant and Equipment (PPE)

PPE includes Net Block after depreciation in respect of Land, Buildings, Roads & Bridges, Plant & Machinery, Generating Plant & Machinery, Electrical Works, Hydraulic Works (Dams, Tunnels etc.), Right of Use, Vehicles, Electrical/Office Equipments, Furniture/Fixtures, Data Processing Equipments etc. Gross Block of PPE during the year increased by ₹ 146.74 crore to ₹ 10700.86 crore (Previous year ₹ 10554.12 crore). The increase is mainly due to purchase of Land at Luhri hydroelectric project (Stage-I), Sunni Dam, Dhaulasidh Project and Capital Spares of generating hydropower stations etc during the year. However, Net Block of PPE decreased by ₹196.63 crore to ₹7093.99 crore at the end of current year (Previous year ₹7290.62 crore) due to charging of depreciation on PPE during the year.

Capital Work-in-progress

Capital Work-in-progress during Current year registered an increase of 36.05% to ₹ 3028.69 crore (Previous year ₹2226.15 crore) mainly due to increase in activities of under construction projects of Naitwar Mori, Luhri hydroelectric project (Stage-I), Dhaulasidh Project and Sunni Dam etc.

Intangible Assets and Intangible Assets under Development

Intangible Assets & Intangible Assets under Development is on account of SAP/ERP Software. Net block of both Intangible Assets & Intangible Assets under Development at the end of Current year is ₹8.44 crore (previous year ₹21.69 crore).

Non-current Financial Assets

Investments

Investments are intended for long term and carried at cost which consists of investments in Subsidiaries and Joint Venture Companies. Total Investments at the year-end is ₹ 5931.45 crore (Previous year ₹4921.88 crore). The increase in investments is due to infusion of equity in Subsidiaries amounting to ₹ 1250.00 crore. During the year SJVN had transferred its entire shareholding amounting to ₹ 240.43 crore in Kholongchhu Hydro Energy Limited (KHEL), a Joint Venture Company, to Druk Green Power Corporation (DGPC), Bhutan.

Loans

Non-Current Loans are those loans which are expected to be realised after 12 months from the balance sheets date. These loans mainly include, loans and advances given to employees at concessional rates and have been fair valued at reporting date. Loans at the end of current year is ₹ 93.64 crore (Previous year ₹ 96.84 crore). The decrease is mainly due to decrease in loans of employees.

Other Financial Assets

Other Non-current Financial Assets includes Bank Deposits with more than twelve months maturity and interest accrued thereon. Other Non-current Financial Assets at the end of current year is ₹ 198.47 crore (Previous year ₹ 186.48 crore). The increase is mainly due to interest accrued on bank deposits having maturity of more than twelve months.

Deferred Tax Assets (Net)

The net deferred tax assets decreased by ₹ 45.79 crore (current year ₹483.92 crore, previous year ₹ 529.71 crore). The decrease is mainly due to materialisation/use of deferred tax assets on account of MAT credit entitlement and decrease in temporary difference in carrying amount of PPE during the year. Net decrease in deferred tax assets amounting to ₹45.79 crore during the year has been debited to statement of profit and loss (previous year ₹93.01 crore).

Other Non-current Assets

Other non-current assets mainly consist of advance tax & tax deducted at source net off by provision for tax, Capital Advances given to Contractors and govt dept / organisations for capital works and deferred employee benefits expense etc. Other non-current assets at the end of Current Year is ₹665.57 crore (Previous year ₹ 561.73 crore).

2. Current Assets

(₹ in Crore)

Particulars	As at March 31,	
	2023	2022
Inventories (Note 2.10)	72.80	62.66
Financial Assets		
-Trade Receivables (Note 2.11)	270.64	575.03
-Cash and Cash Equivalents (Note 2.12)	128.12	17.24
-Bank Balances Other than cash and cash equivalents (Note 2.13)	2902.13	2805.40
-Loans (Note 2.14)	114.04	47.13
-Others (Note 2.15)	1188.34	482.36
Other Current Assets (Note 2.16)	136.69	130.90
Total	4812.76	4120.72

Current Assets as on March 31, 2023 has increased by 16.79 % to ₹ 4812.76 crore (Previous year ₹4120.72 crore).

Inventories

Inventories mainly comprise stores & spares which are maintained for operating plants. Inventories are valued at lower of cost arrived at on weighted average basis and net realisable value. Inventories were valued at ₹72.80 crore as on 31st March, 2023 (Previous year ₹ 62.66 crore).

Financial Assets

Trade Receivables

Trade Receivables mainly consists of receivables on account of Sale of Energy. Trade receivable does not include unbilled revenue which has been shown separately under other current financial assets (Note 2.15). Trade Receivables during the Current year has decreased by ₹ 304.39 crore to ₹270.64 crore (Previous year ₹575.03 crore) due to realisation of outstanding debts. Trade receivable mainly includes an amount of ₹202.14 crore receivable from Jammu & Kashmir Power Corporation Limited (JKPCL). As per



the arrangements between the company, banks and beneficiaries, the bills of beneficiaries amounting to ₹ 258.92 crore (previous year: ₹248.07 crore) have been discounted during the year. Accordingly, Trade receivables have been disclosed net off bills discounted.

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

Cash and Cash Equivalents & Bank Balances other than cash and cash equivalents include mainly balances in Term Deposits and current account.

Cash and Cash Equivalents & Bank Balances other than cash and cash equivalents during the current year increased by ₹207.61 crore to ₹3030.25 crore (Previous year ₹2822.64 crore). This is mainly due to increase in investment in Term Deposits from borrowed funds pending utilisation.

Cash and Cash Equivalents & Bank Balances other than cash and cash equivalents are 62.96 % of current assets.

Loans

Current loans during the year has increased by ₹ 66.91 crore to ₹114.04 crore as on 31.03.2023 (Previous year ₹47.13 crore) mainly on account of providing interest bearing loans to subsidiary company.

Other Financial Assets

Other financial assets include interest accrued but not due on deposits with Banks, amount recoverable from Contractors & Suppliers, Unbilled Revenue and amount receivable from subsidiaries and joint ventures etc. Other financial assets increased by ₹705.98 crore to ₹1188.34 crore during current year (Previous year ₹ 482.36 crore). The increase is mainly due to amount receivable from subsidiary companies, mainly from SJVN Green Energy Limited (SGEL) on transfer of assets of five renewal energy projects for which Business Transfer Agreements (BTAs) have been signed.

Other Current Assets

Other Current Assets mainly include advances to Govt Departments other than capital advances and prepaid expenses etc. Other Current Assets increased by ₹5.79 crore to ₹136.69 crore during current year (Previous year ₹130.90 crore).

Assets Held for Sale

Land and buildings which are unutilized and not yielded the appropriate returns have been classified as assets held for sale. This includes mainly Land and Building at Dehradun. The process of sale of these assets is under process and likely to be completed within next twelve months. The amount of assets held for sale as on 31st March, 2023 was ₹ 16.25 crore (Previous year ₹ 16.07 crore).

Regulatory Deferral Account Debit Balance

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

Regulatory deferral account balances include foreign exchange rate variation on foreign currency loans, employee benefit expense on account of pay revision w.e.f. 01.01.2017, interest on arbitration awards etc. Regulatory deferral account debit balance at the year-end is ₹796.12 crore (Previous year ₹ 808.60 crore). The decrease is mainly due to receipt of tariff orders for employee benefit expense (pay revision) pertaining to hydro power stations for the period

2014-19 and accordingly an amount of ₹148.27 crore has been adjusted from movement in regulatory deferral account balance, which is offset by foreign exchange recoverable by ₹ 71.95 crore and interest on arbitration awards by ₹ 63.84 core during the year.

3. Equity and Liabilities

Total Equity

Total Equity of the Company at the end of the financial year 2022-23 has increased to ₹ 13821.97 crore from ₹ 13128.61 crore in the previous year registering an increase of 5.28% as per details given below:

Particulars	Total Equity (₹ Crore)
Opening Balance as on 01.04.2022	13128.61
Add: Profit for the year	1363.45
Less: Other Comprehensive Income	2.02
Less: Dividend	668.07
Balance as on 31.03.2023	13821.97

The increase in total equity resulted in increase in the book value per share to ₹35.17 as at 31st March,2023 (Previous year ₹ 33.41 per share).

LIABILITIES

Non-Current Liabilities Financial Liabilities

(₹ in Crore)

Particulars	As at March 31,	
	2023	2022
Borrowings (Note 2.21)	6395.12	4796.95
Lease Liabilities (Note 2.22)	6.40	5.83
Other Financial Liabilities (Note 2.23)	0.01	0.01
Provisions (Note 2.24)	118.02	106.34
Other Non-current Liabilities (Note 2.25)	706.83	729.39
Total	7226.38	5638.52

Borrowings

Total borrowings as on March 31, 2023 inclusive of current maturities of long-term borrowings were ₹ 6755.33 crore as against ₹ 5062.36 crore as on March 31, 2022. Current maturities of long-term borrowings have been shown under current financial liabilities (Borrowings). Details of total borrowings are as under:

(₹ in Crore)

Particulars	As at March 31, 2023	As at March 31, 2022
Non-current Borrowings (Note No 2.21)	6395.12	4796.95
Current maturities of non-current borrowings included in current financial liabilities(borrowings) Note No.2.26	360.21	265.41
Total Borrowings	6755.33	5062.36

Borrowings excluding current maturities of long-term debts have registered an increase of 33.32 % amounting to ₹ 1598.17 crore. Total non-current borrowings as on 31.03.2023 are ₹ 6395.12 crore (previous year ₹4796.95 crore). Details of non-current borrowings are as under:



Rupee Term Loans:

Total outstanding rupee term loans drawn from domestic banks including current maturities as on 31.03.2023 were ₹ 1899.77 crore (previous year ₹ 297.68 crore). These term loans are secured by equitable mortgage/hypothecation of all present and future fixed and book debts & future cash flows of three beneficiaries of NJHPS.

Foreign currency borrowings:

Foreign currency borrowings are from PNB, Dubai and World Bank. Total outstanding as on 31.03.2023 was ₹ 3855.56 crore (previous year: ₹ 3764.68 crore).

The debt-to-equity ratio (inclusive of Short-Term Borrowings and accrued interest) at the end of financial year 2022-23 of the company is 0.52 (previous year 0.42).

Lease and Other Financial Liabilities

The lease liabilities are on account of present value of leased rentals payable over the period of lease of assets taken on lease by the company. The lease liabilities have been measured at the present value of the remaining lease payments. Lease liabilities during the current year is ₹ 6.40 crore (Previous year: ₹ 5.83 crore).

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

Non-current Provisions

Non-current provisions are on account of long-term employee benefits provided on the basis of Actuarial Valuation and includes leave encashment and Other Retirement Benefits which are expected to be settled beyond a period of twelve months from the balance sheet date. Non-current provisions increased by ₹11.68 crore to ₹118.02 crore during current year (Previous year ₹106.34 crore).

Other Non-current Liabilities

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

Other non-current liabilities have registered a decrease of ₹ 22.56 crore to ₹ 706.83 crore (Previous year ₹729.39 crore) mainly on account of amount of AAD transferred to other current liabilities as the same is adjustable in sales during next financial year.

4. Current Liabilities

Financial Liabilities (₹ In Crore)

Particular	As at March 31,	
	2023	2022
Borrowings (Note No.2.26)	745.01	723.59
Lease Liabilities (Note 2.27)	5.53	6.31
Trade Payables (Note 2.28)	46.70	37.16
Other Financial Liabilities (Note 2.29)	649.10	699.35
Other Current Liabilities (Note 2.30)	49.28	50.13
Provisions (Note 2.31)	586.33	496.82
Total	2081.95	2013.36

The Current Liabilities as at March 31, 2023 and 2022 were ₹ 2081.95 crore and ₹ 2013.36 crore respectively. The Current Liabilities have increased by 3.40 % mainly due to increase in Borrowings and Provisions.

Borrowings

During the year company has availed the bank overdraft and short-term loan from banks to finance the short-term fund requirements. Outstanding amount of short-term loan from banks/overdraft as on 31.03.2023 was ₹ 384.80 crore (previous year ₹458.18 crore). Borrowings also include an amount of ₹ 360.21 crore (previous year ₹265.41 crore) being current maturities of long-term debts payable within twelve months from the balance sheet date. Total outstanding balance of borrowings at the end of the year is ₹745.01 crore (previous year: ₹723.59 crore).

Lease Liabilities

Lease liabilities are on account of present value of leased rental assets rental payable within next twelve months for assets taken on lease. Lease liabilities at the end of year is ₹ 5.53 crore (Previous year: ₹ 6.31 crore).

Trade Payables

Trade payables include liabilities in respect of amount due on account of goods purchased or services received in normal course of business operations other than liability for Purchase/ Construction of Fixed Assets. Trade Payables at the end of current year is ₹ 46.70 crore (Previous year ₹ 37.16 crore).

Other Financial Liabilities

Other Financial Liabilities mainly include Interest accrued but not due on loans, Liabilities for Employees Remuneration and Benefits, Liabilities for Purchase/Construction of Fixed Assets and Deposits, Retention Money from Contractors and Others. Other Current Liabilities have decreased by ₹ 50.25 crore to ₹649.10 crore (Previous year ₹699.35 crore). This is mainly due to decrease in amount payable to subsidiary company for subscribed capital.

Other Current Liabilities

Other Current Liabilities mainly include current liability of Advance against Depreciation and Advance from customers etc. Other Current Liabilities at the year-end was ₹ 49.28 crore (Previous year ₹ 50.13 crore).

Provisions

Short Term Provisions include Unfunded Employees Benefits payable within Twelve Months as per Actuarial Valuation, Interest on Arbitration Awards and Performance Related Pay etc. Provisions have increased by ₹89.51 crore in the F.Y. 2022- 23 to ₹586.33crore (Previous year ₹ 496.82 crore). This is mainly due to increase of provision for interest on arbitration awards and Performance related pay etc.

C. CONTINGENT LIABILITIES (NOTE NO 2.50)

The following are the components of claims against the company not acknowledged as debt: (₹ in crore)

Particulars	As at 31.03.2023	As at 31.03.2022
Capital Works	565.50	670.76
Land Compensation	25.06	25.06
Disputed Income Tax Demand	25.45	10.48
Guarantees	1416.39	195.00
Others	259.89	249.04
Total	2292.29	1150.34

Contingent Liabilities increased by ₹1141.95 crore to ₹2292.29 crore as of March 31, 2023 (Previous year ₹ 1150.34 crore) mainly on account of increase in contingent liabilities relating to corporate guarantee for a loan drawn by a subsidiary company.



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

1. SUBSIDIARY COMPANIES

Company has three wholly owned subsidiary companies as at 31.03.2023. The Subsidiary companies are under Construction except for SJVN Green Energy Limited (SGEL), one project of which is in operation. The performance of the subsidiaries is as under:

SJVN Thermal Pvt. Ltd.

SJVN Thermal Pvt. Ltd is 100% subsidiary company of SJVN Ltd. The authorized share capital of SJVN Thermal Pvt. Ltd. is ₹3000 crore. The Company has taken up the development of 1320 MW Coal based Thermal Power Project located near Chausa village in District Buxar of Bihar, which is in construction stage. Total paid up equity share capital as on 31st March, 2023 is ₹ 2511.68 crore (Previous year ₹ 2511.68 crore). Total Assets as on 31st March, 2023 is ₹ 7486.03 crore (Previous Year: ₹ 4376.54 crore).

SJVN Arun 3 Power Development Company Pvt. Ltd.

SJVN Arun 3 Power Development Company Pvt. Ltd. was incorporated in Nepal as a wholly owned subsidiary company of SJVN Ltd on 25.04.2013. The authorized share capital of the company is INR 2714.35 crore (NPR 4342.96 crore). Presently the company is executing the 900MW Arun-3 Hydroelectric Project in Nepal which is under construction. This project is to be installed in the Sankhuwasabha District of Nepal. Total paid up equity capital as on 31st March, 2023 is INR 2105.41 crore (Previous Year INR 2105.41 crore). Total Assets as on 31st March, 2023 is INR 4220.53 crore (Previous Year INR 2850.42 Crore).

SJVN Green Energy Ltd.

SJVN Green Energy Limited (SGEL) was incorporated in India on 30.03.2022 with authorised share capital of ₹ 50 crore. The purpose of formation of SGEL is to have a focussed approach for expanding/managing the renewal energy portfolio of SJVN group.

Assets of five renewal energy projects have been transferred to SJVN Green Energy Limited (SGEL) by SJVN for which Business Transfer Agreements (BTAs) have been signed.

One of the projects of SGEL of 75 MW started commercial generation in the month of November, 2022 and revenue of ₹ 12.53 crore has been earned. Total paid up equity share capital as on 31st March, 2023 is ₹1300.00 crore (Previous year ₹ 50.00 crore). Total Assets as on 31st March, 2023 is ₹ 4113.41 crore (Previous Year: ₹ 50.00 crore).

2. JOINT VENTURE COMPANIES

As at 31.03.2023, the company has interest in Cross Border Power Transmission Company Ltd (CPTC) having 26% holding. The performance of the Joint Venture is as under:

Cross Border Power Transmission Company Limited

Cross Border Power Transmission Company Limited (CPTC) is a joint venture of SJVN Ltd with IL&FS Energy Development Company Ltd. (IEDCL), Power Grid Corporation of India Ltd. (PGCIL) & Nepal Electricity Authority (NEA). The Company is principally engaged in establishment, operation & maintenance and transfer of Indian Portion of Indo-Nepal Cross Border Transmission Line from Muzaffarpur to Dhalkebar.

SJVN has invested ₹12.61 crore (Previous Year ₹ 12.61 crore) in the joint venture. The total income and PAT during the year 2022-23 are ₹ 32.95 crore (previous year ₹ 34.48 crore) and ₹16.33 Crore (previous year ₹17.26 crore) respectively.

Kholongchhu Hydro Energy Limited

Kholongchhu Hydro Energy Limited (KHEL), a joint Venture Company of SJVN and Druk Green Power Corporation (DGPC), Bhutan incorporated Under the Companies Act of Kingdom of Bhutan having 50% shareholding each for construction of 600MW Kholongchhu Hydro Electric Power Project. Investment of ₹240.43 crore was made by SJVN in KHEL as equity contribution.

During the year, KHEL Board and Shareholders had decided that SJVN shall transfer its entire shareholding in KHEL to DGPC against payment of equity contribution of SJVN in KHEL. Consequently, SJVN had transferred its entire shareholding in KHEL to DGPC and amount of equity invested along with interest has been received.

E. CONSOLIDATED FINANCIAL STATEMENTS OF SJVN LTD.

The consolidated financial statements have been prepared in accordance with Indian Accounting Standard (Ind AS-110)- 'Consolidated financial Statements' Ind AS-28 -Investments in Associates & Joint Ventures, Ind AS112- 'Disclosure of Interests in other entities' and are included in the Annual Report.

The Financial Statements of the company and its subsidiaries are combined on line byline basis by adding together of the like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions, unrealized profit or losses. The Joint Venture Company has been consolidated by using the Equity Method of Accounting.

A brief summary of the results on a consolidated basis is given below:
(₹ in Crore)

Particulars	FY 2022-23	FY 2021-22
Total Revenue	3282.50	2634.78
Profit before Tax	1737.66	1359.82
Profit after Tax	1359.30	989.80
Other Comprehensive Income (net of tax)	(2.03)	(1.63)
Total Comprehensive Income	1357.27	988.17

For and on behalf of Board of Directors

Date: 9th August, 2023
Place: New Delhi

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



REPORT ON CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At SJVN, we believe that good governance is a systematic process which enables the Company to operate in a manner that meets with the ethical, legal and business expectations and at the same time fulfills its social responsibility. Your company has established a framework of Corporate Governance, aimed at assisting the management of the company in the efficient conduct of its business and ensuring that we make timely disclosures and share accurate information regarding our financials and performance, as well as the leadership and governance of the Company. The company is committed to focus its energy and resources to maximize shareholder wealth while safeguarding and promoting the interests of other stakeholders.

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

SJVN continuously strives to bring the best practices expected by all the stakeholders in the conduct of its business. The company was listed on 20th May 2010 with the National Stock Exchange (NSE) and the Bombay Stock Exchange (BSE).

1.0 BOARD OF DIRECTORS

1.1 Size of the Board

SJVN Limited is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013. The present shareholding stands at 59.92%, 26.85% and 13.23% between the Government of India, Government of Himachal Pradesh and the Public respectively. As per the Articles of Association, the power to appoint Directors vests with the President of India acting through the Administrative Ministry i.e., Ministry of Power. The Strength of the Board shall not be less than 6 and not more than 15. These numbers include all Executive, Non-Executive and Independent Directors.

1.2 Composition & Tenure of the Board

As on 31st March 2023, the Company's Board comprised of Eleven (11) members, consisting of Five Whole-Time Directors including Chairman & Managing Director, Two Part-Time Government Nominee Directors representing Government of India and Government of Himachal Pradesh and Four Part Time Non-Official (Independent) Directors.

During the year, in absence of requisite number of Independent Directors on the Board of the Company, the composition of the Board of Directors was not in conformity with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for CPSE issued by DPE. Further, the Stock Exchanges have levied monetary fines for non-compliance with the requirements pertaining to the appointment of Independent Directors as provided in Regulation 17 of SEBI LODR Regulations.

The Company has sent various requests to the Ministry of Power, Government of India to expedite the process of appointment of Independent Directors on the Board of the Company so as to enable the company to comply with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the DPE guidelines. It is understood that the Government is in the process of inducting the remaining three (3) Independent Directors on the Board of the Company.

All the Functional Directors are appointed for a period of 5 years or till superannuation or till further instructions, whichever event occurs earlier. The age limit of the Functional (whole-time) Directors including Chairman & Managing Director is 60 years. Government Nominee Directors representing Government of India and Government of Himachal Pradesh cease as director on withdrawal of nomination by appointing authority or on ceasing to be officials of the Ministry/Administrative Department. Independent Directors are appointed/ re-appointed for a period of one/three years or until further order, whichever is earlier. The key qualifications, skills, and attributes which are taken into consideration while nominating a Director is considered by a well-defined process of the Administrative Ministry i.e., Ministry of Power and Department of Public Sector Enterprises, Ministry of Finance, Government of India. The Functional Directors are appointed by the Public Sector Enterprises Selection Board (PESB), a high-powered body constituted by Government of India Resolution dated 3.3.1987. PESB has been set up with the objective of evolving a sound managerial policy for the Central Public Sector Enterprises and, in particular, to advise Government on appointments to their top management posts.

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

1.3 Board Meetings

The Board Meetings were normally held at Shimla/ Delhi through video conference / other Audio-Visual facility to facilitate participation by maximum number of out station Directors. During the Financial Year 2022-23, nine (9) Board Meetings were held, (i) 28th April 2022 (ii) 25th May 2022 (iii) 28th June 2022 (iv) 12th August 2022 (v) 20th September 2022 (vi) 11th November 2022 (vii) 22nd December 2022 (viii) 06th February 2023 (ix) 20th March 2023. The maximum interval between any two meetings during this period was 52 days.

Details of Board Meetings, attendance of the Directors, etc. for the year 2022-23 are as under:



Name of Directors	Meetings Date								No. of Meetings held during the tenure	No. of Meetings attended	Attendance at last AGM (34 th) held on 29.09.2022	No. of other Directorship held on 31.03.2023*	No. of Committee memberships in other companies on 31.03.2023**		
	28 th April 2022	25 th May 2022	28 th June 2022	12 th August 2022	20 th September 2022	11 th November 2022	22 nd December 2022	06 th February 2023					20 th March 2023	As Chairman	As Member
EXECUTIVE DIRECTORS															
Functional Directors															
Shri Nand Lal Sharma Chairman & Managing Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	Yes	2	0	0
Smt. Geeta Kapur Director (Personnel)	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	Yes	2	0	2
Shri Surinder Pal Bansal Director (Civil)***	✓	✓	✓	-	-	-	-	-	-	3	3	NA	1	-	-
Shri Akhileshwar Singh Director (Finance)	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	Yes	3	2	0
Shri Sushil Sharma Director (Electrical)	✓	✓	✓	X	✓	✓	✓	✓	✓	9	8	Yes	3	0	2
NON-EXECUTIVE DIRECTORS															
Part-Time Official Directors (Government Nominee Directors)															
Shri Raghuraj Madhav Rajendran GoI Nominee Director	✓	X	✓	✓	✓	✓	-	-	-	6	5	No	Ceased w.e.f. 30 th November 2022		
Shri Ram Dass Dhiman GoHP Nominee Director	X	✓	X	X	X	X	X	-	-	7	1	No	Ceased w.e.f. 31 st December 2022		
Shri Ajay Tewari GoI Nominee Director (Appointed w.e.f. 01 st December 2022)	-	-	-	-	-	-	✓	X	✓	3	2	NA	2	0	0
Shri Rajeev Sharma GoHP Nominee Director (Appointed w.e.f. 21 st February 2023)	-	-	-	-	-	-	-	-	✓	1	1	NA	5	0	0
Part-Time Non-Official Directors (Independent Directors)															
Dr. Udeeta Tyagi Independent Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	Yes	0	0	0
Shri Saroj Ranjan Sinha Independent Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	Yes	0	0	0
Dr. Danveer Singh Yadav Independent Director	✓	✓	✓	✓	✓	✓	✓	✓	✓	9	9	Yes	0	0	0
Dr. Shashikant Jagannath Wani Independent Director (Appointed w.e.f. 13 th March 2023)	-	-	-	-	-	-	-	-	✓	1	1	NA	1	0	0

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

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

***Shri S.P. Bansal, Director (Civil), who was suspended by Ministry of Power, Government of India Order No. C-13011/52/2022-V&S dated 28 July, 2022 ceased as Director (Civil) consequent to attaining the age of superannuation on 31st July, 2023.



1.4 A chart or a matrix setting out the skills/expertise/competence of the Board of Directors

SJVN Limited, being a Government Company within the meaning of Section 2(45) of the Companies Act, 2013, the key qualifications, skills, and attributes which are taken into consideration while nominating a Director is considered by a well-defined process of the Administrative Ministry i.e., Ministry of Power and Department of Public Sector Enterprises, Ministry of Finance, Government of India.

2.0 MEETING OF INDEPENDENT DIRECTORS

In compliance with the provisions of the Companies Act, 2013 and Obligations with respect to Independent Directors prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on 06th February 2023 without the attendance of Non-Independent Directors and members of the management. All the Independent Directors, as on date of meeting, attended the said Meeting.

3.0 FAMILIARIZATION PROGRAMME FOR BOARD MEMBERS

The Board members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. They are also provided training with special emphasis on nature of power industry, business model of the Company and roles & responsibilities of the Independent Directors among others.

The details of such familiarization programmes for Board of Directors are posted on the website of the Company and can be accessed at https://sjvnindia.com/UploadFiles/Page/1368850725_PageDocument_Familiarization%20Program.pdf.

4.0 AUDIT COMMITTEE

The scope of work for Audit Committee is to assist the Board of Directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control, the audit process, investigate any activity within its term of reference, seek information from any employee, obtain outside legal or other professional advice and to discharge all such functions and responsibilities of Audit Committee as may be prescribed under: -

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

As on 31st March 2023, the following Directors were the Members of the Audit Committee:

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

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

During the Financial Year 2022-23, 5 (Five) Audit Committee meetings were held, i.e. (i) 25th May 2022 (ii) 28th June 2022 (iii) 12th August 2022 (iv) 11th November 2022 (v) 06th February 2023.

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

Name of Directors	Meetings Date					No. of Meetings held during the tenure	No. of Meetings attended
	25 th May 2022	28 th June 2022	12 th Aug. 2022	11 th Nov. 2022	06 th Feb. 2023		
Dr. Danveer Singh Yadav	✓	✓	✓	✓	✓	5	5
Dr. Udeeta Tyagi	✓	✓	✓	✓	✓	5	5
Shri Saroj Ranjan Sinha	✓	✓	✓	✓	✓	5	5

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

5.0 NOMINATION & REMUNERATION COMMITTEE

SJVN being a Central Public Sector Enterprise, the appointment, tenure and remuneration of Directors are decided by the President of India. The Scope of work of Nomination & Remuneration Committee is to consider and recommend on all HR related issues requiring approval of the Board and to discharge all such functions and responsibilities of Nomination and Remuneration Committee as may be prescribed under the following Legislations/Guidelines to the extent applicable to Government Companies: -

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

As on 31st March 2023, the Nomination & Remuneration Committee consists of: -

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

During the Financial Year 2022-23, 2 (Two) Nomination & Remuneration Committee meetings were held, i.e. (i) 28th June 2022 (ii) 27th January 2023.

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

Name of Directors	Meetings Date		No. of Meetings held during the tenure	No. of Meetings attended
	28 th June 2022	27 th January 2023		
Dr. Danveer Singh Yadav	✓	✓	2	2
Dr. Udeeta Tyagi	✓	✓	2	2
Shri Saroj Ranjan Sinha	✓	✓	2	2

In compliance with provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Nomination & Remuneration Committee has formulated a "Policy Statement on Nomination, Remuneration, Succession and Diversity of Board" which is effective from 1st December 2015. The Code was further amended during the financial year 2022-23 and amended Code came into effect from 12th September, 2022.

The 'Policy Statement on Nomination, Remuneration, Succession and Diversity of Board' has been duly disclosed on the website of the



company and may be accessed at https://sjvnindia.com/UploadFiles/Page/307892197_PageDocument_Policy%20Statement%20on%20Nomination.%20Remuneration.%20Succession%20and%20Diversity%20of%20Board.pdf. The Details of remuneration to all Directors are disclosed in later part of this report.

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

6.0 STAKEHOLDER RELATIONSHIP COMMITTEE

The Scope of work of Stakeholders Relationship Committee shall be to consider and resolve the grievances of security holders of the company and to discharge all such functions and responsibilities of Stakeholders Relationship Committee as may be prescribed under: -

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

As on 31st March 2023, the Stakeholder Relationship Committee consists of the following Members:

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

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

During the Financial Year 2022-23, 1 (One) Stakeholders Relationship Committee meeting was held i.e., on 28th October 2022.

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

Name of Directors	Meeting Date	No. of Meetings held during the tenure	No. of Meetings attended
	28 th October 2022		
Shri Saroj Ranjan Sinha	✓	1	1
Dr. Udeeta Tyagi	✓	1	1
Dr. Danveer Singh Yadav	✓	1	1

6.1 STATUS OF INVESTORS COMPLAINTS:

Status of Investors' complaints for the financial year 2022-23 is as under:-

Particulars	Opening	Received during the year	Resolved during the year	Pending (31.03.2023)
Complaints	2	62	64	0

7.0 RISK MANAGEMENT COMMITTEE

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

As on 31st March 2023, the Risk Management Committee consists of the following Members:

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

During the Financial Year 2022-23, 2 (Two) Risk Management Committee meetings were held i.e. (i) 28th October 2022 (ii) 14th March 2023.

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

Name of Directors	Meetings Date		No. of Meetings held during the tenure	No. of Meetings attended
	28 th October 2022	14 th March 2023		
Shri Saroj Ranjan Sinha	✓	✓	2	2
Dr. Udeeta Tyagi	✓	✓	2	2
Dr. Danveer Singh Yadav	✓	✓	2	2

8.0 CORPORATE SOCIAL RESPONSIBILITY, SUSTAINABLE DEVELOPMENT AND RESEARCH & DEVELOPMENT COMMITTEE

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

As on 31st March 2023, the Corporate Social Responsibility, Sustainable Development and Research & Development Committee consist of: -

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

During the Financial Year 2022-23, 2 (Two) Corporate Social Responsibility, Sustainable Development and Research & Development Committee meetings were held, i.e. (i) 11th November 2022 (ii) 14th March 2023.

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

Name of Directors	Meetings Date		No. of Meetings held during the tenure	No. of Meetings attended
	11 th Nov. 2022	14 th March 2023		
Dr. Danveer Singh Yadav	✓	✓	2	2
Dr. Udeeta Tyagi	✓	✓	2	2
Shri Saroj Ranjan Sinha	✓	✓	2	2

9.0 DETAILS OF SENIOR MANAGEMENT

The Particulars of changes in Senior Management since the closure of the financial year 2021-22 are as follows: -

List of Officials one level below Functional Directors and Functional Heads			
Officials One level below Functional Directors			
S.No.	Name	From	To
1	Sh. S Marasamy	03-08-2021	Till date
2	Sh. Surendra Lal Sharma	03-08-2021	Till date
3	Sh. V. Sankaranarayanan	03-08-2021	Till date
4	Sh. Salil Shamshery	01-01-2022	Till date
5	Sh. Manoj Kumar	01-04-2022	Till date
6	Sh. Parveen Singh Negi	01-01-2023	Till date

Note: Other than the Officials mentioned above 1 Officer Viz : Sh. Pawan varma is posted at SJVN Subsidiary



List of Functional Heads i.e HOPs/CEOs/MD/ HODs of Key Departments

S.No.	Name	Unit/Department	From	To
1	Sh. Manoj Kumar	Nathpa Jhakri HPS	01.08.2023	till date
2	Sh. Vikas Marwah	Rampur HPS	02.08.2023	till date
3	Sh. Ajay Kr. Singh	SJVN Green Energy Limited	10-07-2023	till date
4	Sh. Sanjay Kumar Garg	Buxar TPP	08-06-2023	till date
5	Sh. Sanjay Kumar Singh	LHEP-II & Sunni Dam HEP	06-05-2022	till date
6	Sh. Jasjeet Singh Nayyar	NMHEP/JSHEP/LO, Dehradun	06-05-2022	till date
7	Sh. Arun Dhiman	Arun III HEP	01-06-2019	till date
8	Sh. Rakesh Sehgal	Head Civil Design & Lower Arun HEP	28-07-2021	till date
9	Sh. Jaswant Kapoor	Chenab Projects	05-05-2023	till date
10	Sh. Sunil Choudhary	Luhri HEPS-1	04-07-2022	till date
11	Sh. Ashutosh Bahuguna	Devsari HEP	07-01-2020	till date
12	Sh. Himendra Mohan Sinha	Sadla WPS/CSPS	08-12-2020	till date
13	Sh. Parminder Kumar	Dhauilasidh HEP	03-01-2022	till date
14	Sh. Surendra Singh	Parasan SPP/Gujrai/Gurhah	27-10-2022	till date
15	Sh. Vikram Saxena	Bikaner Solar PP	23-12-2022	till date
16	Sh. B H Chaluva Raju	Khirvire WPP	06-09-2021	till date
17	Sh. Rajesh Kumar Bisht	Jangi Thopan PHEP	01-07-2023	till date
18	Sh. R.K.Jindal	Bagodara SPP/Raghanesda SPP	07-07-2022	till date
19	Sh. Murli Manohar Singh	Banka SPP/Jamui SPP	16-08-2022	till date
20	Sh. S.L.Sharma	Finance & Accounts (F&A)	10-07-2023	till date
21	Sh. Salil Shamsbery	Corporate IT&System Excellence Quality Assurance Inspection & Control ECD	IT&SE-19-01-2018 QAI&C-01-01-22 ECD-01-06-22	till date
22	Sh. S Marasamy	Civil Contracts	01-10-2020	till date
23	Sh. V. Sankaranarayanan	Corporate Planning Environment Corp. Strategy	CP-01-10-2019 Envn.-01-10-2019 CSD-21-11-2022	till date
24	Sh. Ashwani Bhardwaj	CM&C	09-06-2023	till date
25	Sh. Harish Kumar Sharma	Electrical Design/C&SO	Elect. Design -01-01-2022 C&SO-28.06.2021	till date
26	Sh. Sanjeev Gupta	Civil Design	01-12-2019	till date
27	Sh. Rajeev kumar	Arch./CSU & Library	26-07-2021	till date
28	Sh. Anil Kr. Goel	Vigilance	09-06-2023	till date
29	Sh. Shailender Aggarwal	Internal Audit	10-12-2021	till date
30	Sh. Soumendra Das	Company Secretary	01-12-2011	till date
31	Sh. Akshay Kr. Acharaya	In-Charge, Geology	05-08-2022	till date
32	Sh. C.S.Yadav	Human Resource (HR)	06-06-2023	till date
33	Sh. Gagan Deep Sharma	CFMD	02-05-2022	till date

10.0 ANNUAL EVALUATION OF BOARD PERFORMANCE AND PERFORMANCE OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS

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

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

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

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

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



11.0 REMUNERATION DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

The remuneration details of Functional Directors and Key Managerial Personnel for the Financial year 2022-23 are as under: -

(Amount ₹)

Sr. No.	Name	Salary	Benefits	PRP	Total
1.	Shri Nand Lal Sharma Chairman & Managing Director	42,46,419	45,92,255	24,38,653	1,12,77,327
2.	Smt. Geeta Kapur Director (Personnel)	36,85,191	37,98,847	18,14,725	92,98,763
3.	Shri Surinder Pal Bansal Director (Civil)	15,62,194	23,39,768	15,09,733	54,11,695
4.	Shri Akhileshwar Singh Director (Finance)	41,54,270	28,37,040	18,03,019	87,94,329
5.	Shri Sushil Kumar Sharma Director (Electrical)	37,36,827	25,10,936	16,23,468	78,71,231
6.	Shri Soumendra Das Company Secretary	24,78,285	17,26,920	6,75,675	48,80,880
	Total	1,98,63,186	1,78,05,766	98,65,273	4,75,34,225

11.1 Remuneration to Non-Executive Directors:-

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

Sitting fee of ₹40,000/- and ₹30,000/- per Board and Committee Meeting respectively is payable to Independent Directors for attending each meeting.

The Sitting Fee paid to Independent Directors for meetings attended during the financial year 2022-23 are as under: -

Amount (₹)

Sr. No.	Name of the Director	Total Sitting Fee Paid (including GST)
1.	Dr. Udeeta Tyagi	7,50,000
2.	Sh. Saroj Ranjan Sinha	7,50,000
3.	Dr. Danveer Singh Yadav	7,50,000
4.	Dr. Shashikant Jagannath Wani	40,000

12.0 DETAILS OF TOTAL FEES PAID TO STATUTORY AUDITORS

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

Amount (₹)

Type of Service	Financial Year 2022-23
Statutory Audit	18,73,250
Tax Audit Fees	3,42,200
Limited Review	12,17,613
Other Services	2,47,800
Reimbursement of Expenditure	11,80,448
Total*	48,61,311

*Including GST.

13.0 CODE OF CONDUCT

The Board of Directors has laid down Code of Conduct for Board Members and Senior Management. The purpose of this code is to enhance ethical and transparent process in managing the affairs of the company and thus to sustain the trust and confidence reposed in the Management by

the stakeholders and business partners. The Code of Conduct has been comprehensively amended in lines with the requirements of Companies Act, 2013 and SEBI (LODR) Regulations. The revised version of this Code has come into force with effect from 12th September 2022. In this regard, the declaration given by the Chairman & Managing Director is reproduced below:

All the Members of the Board and Senior Management personnel have affirmed compliance of the Code of Conduct for the financial year ended 31st March 2023.

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

14.0 CODE FOR PREVENTION OF INSIDER TRADING

The Board has laid down "Code of Conduct for Regulating & Reporting Trading by Insiders and for Fair Disclosure" with the objective of preventing purchase and sale of shares by the Insider on the basis of unpublished price sensitive information. The Code of Conduct has been laid down by the Board of Directors of your Company in line with the requirements of the Companies Act, 2013 and SEBI (Prohibition of Insider Trading) Regulations, 2015 as approved by the Board of Directors meeting held on 27th May, 2015. The revised version of the Code has come into force with effect from 12th September 2022.

The Code of Conduct for Regulating & Reporting Trading by Insiders and for Fair Disclosure has been duly disclosed on the website of the company and may be accessed at https://sjvnindia.com/UploadFiles/Page/407100316_PageDocument_Code%20of%20Conduct%20for%20Regulating%20&%20Reporting%20Trading%20by%20Insiders%20and%20for%20Fair%20Disclosure.pdf.

15.0 WHISTLE BLOWER POLICY

Board of directors in its meeting held on 30th November, 2011 approved and adopted the Whistle Blower Policy for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy. This mechanism provides for adequate safeguard against victimization of director(s)/employee(s) who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. The identity of complainant/whistle blower is kept confidential. The mechanism enforces transparency, ethical practices and governance. Further, it is affirmed that no personnel have been denied access to Chairman of Audit Committee.

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

Status of Whistle Blower Complaints during FY 2022-23: -

No. of complaints pending at the beginning of the year	NIL
No. of complaints received during the year	
No. of complaints disposed off during the year	
No. of complaints pending at the end of the year	



16.0 GENERAL BODY MEETINGS

16.1 Annual General Meeting

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

AGM	Date	Time	Location	Special Resolution
32 nd AGM	29 th September 2020	1500 HRS	Held through video conference / other Audio-Visual means. Deemed venue was SJVN Corporate Office Complex, Shanan, Shimla, Himachal Pradesh.	No Special Resolution was passed
33 rd AGM	29 th September 2021	1500 HRS	Held through video conference / other Audio-Visual means. Deemed venue was SJVN Corporate Office Complex, Shanan, Shimla, Himachal Pradesh.	No Special Resolution was passed
34 th AGM	29 th September 2022	1500 HRS	Held through video conference / other Audio-Visual means. Deemed venue was SJVN Corporate Office Complex, Shanan, Shimla, Himachal Pradesh.	Following Special Resolutions were passed: - (i) Appointment of Dr. Udeeta Tyagi as Independent Director. (ii) Appointment of Shri Saroj Ranjan Sinha as Independent Director. (iii) Appointment of Dr. Danveer Singh Yadav as Independent Director. (iv) Enhancement of borrowing limit under Section 180(1)(c) of the Companies Act, 2013.

16.2 Postal Ballot

No resolution has been passed through Postal Ballot during the year.

No special resolution requiring Postal Ballot is being proposed at the ensuing Annual General Meeting.

17.0 DISCLOSURES

It is certified that during the Financial Year 2022-23: -

- a) The Company has not entered in to any transaction of material nature with the Directors of the Company that may have potential conflict with the interests of the Company.


- b) In view of the Management, all applicable accounting standards are being followed in the preparation of Financial Statements. Where there is any deviation from the Accounting Standards, proper disclosure has been given in the notes to accounts.
- c) All the mandatory requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are being complied except for those stated in this report and the non-mandatory requirements are being adopted to extent possible.
- d) None of the securities of the Company was suspended from trading during the financial year 2022-23.
- e) During the financial year 2022-23, there was no instance, where the Board has not accepted the recommendation(s) of any committee of the Board which is mandatorily required.

18.0 CEO/CFO CERTIFICATION

As required by Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Certificate duly signed by Shri Nand Lal Sharma, Chairman & Managing Director and Shri Akhileshwar Singh, Director (Finance) & CFO was placed before the Board of Directors at the Meeting held on 22.05.2023 which is reproduced as under: -

We, Nand Lal Sharma, Chairman & Managing Director and Akhileshwar Singh, Director (Finance) & CFO to the best of our knowledge and belief, certify that:

- a) We have reviewed the standalone financial statements and the Cash flow statement for the year ended 31st March 2023 and to the best of our knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct;
- c) We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take, to rectify these deficiencies;
- d) We have indicated to the company's auditors and the Audit Committee: -
- (i) Significant changes, if any, in internal control over financial reporting during the year;
- (ii) Significant changes, if any in accounting policies during the year and the same have been disclosed in the notes to the financial statements, and
- (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.


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


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



19.0 MEANS OF COMMUNICATION

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

The financial results of the company are generally published in The Financial Express, The Economic Times, The Tribune, Dainik Bhaskar, Dainik Jagran, Punjab Kesari etc.

20.0 SUBSIDIARY MONITORING FRAMEWORK

The Company has three subsidiary Companies, the list of which is furnished in the Directors' Report. All subsidiaries of the Company are Board managed with their Boards having the rights and obligations to manage such Companies in the best interest of the stakeholders. As a majority shareholder, the Company nominates its representatives on the Board of subsidiary Companies and monitors the performance of such Companies periodically.

Performance of the Subsidiary Companies is reviewed by the Board of the Company as under:

- Minutes of the meetings of the Board of Directors of the subsidiaries are placed before the Company's Board periodically.
- A statement of all significant transactions and arrangements entered into by the unlisted subsidiary Companies are also reviewed by the Company.
- A Report on Business Activities of Subsidiary which, inter-alia, includes investments made in the subsidiary is presented to the Board of SJVN.
- The Budget of the subsidiary Companies are being approved by SJVN Ltd.

21.0 POLICY FOR DETERMINING MATERIAL SUBSIDIARIES

In compliance with the Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company has formulated a Policy for Determining Material Subsidiaries, duly approved by the Board of Directors and the same is effective from 1st October 2014.

The Policy for Determining Material Subsidiaries has been disclosed on website of the Company and may be accessed at https://sjvnindia.com/UploadFiles/Page/1268449490_PageDocument_Policy%20for%20determining%20Material%20Subsidiaries.pdf.

SJVN Thermal Pvt. Ltd. (STPL) and SJVN Arun-3 Power Development Company Pvt. Ltd. (SAPDC) are material subsidiaries of the Company as defined under Regulation 16(1)(c) of SEBI Listing Regulations, 2015.

STPL was incorporated on 07.05.2007 in Bihar. STPL was acquired as 100% subsidiary company of SJVN Ltd. on 04.07.2013. M/s S.S. Srivastava & Co. has been appointed as statutory auditor of the company on 14.02.2023 for FY 2022-23.

SAPDC was incorporated in Nepal on 25.04.2013. PKF T R Upadhy & Co. Chartered Accountants, Kathmandu has been appointed as statutory auditor of the company on 10.01.2023 for FY 2022-23.

22.0 DIVIDEND DISTRIBUTION POLICY

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

The Dividend Distribution Policy has been disclosed on the website of the company and may be accessed at https://sjvnindia.com/UploadFiles/Page/1766271387_PageDocument_Dividend%20distribution%20policy%20of%20SJVN.pdf.

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

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

No Presidential Directives have been issued during the period 01st April, 2022 to 31st March, 2023 and also in last three years.

24.0 SEXUAL HARASSMENT PREVENTION

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

Summary of Sexual harassment issues raised, attended and dispensed during the year 2022-23:-

No. of complaints received in 2022-23	Nil
No. of complaints disposed off	Nil
No. of cases pending for more than 90 days	Nil
No. of workshops or awareness programme against sexual harassment carried out	Nil*
Nature of action taken by the employer or District Officer	Nil

*In house talk/ discussion on POSH was conducted every quarter in FY 2022-23. However, no external training program on POSH was conducted in FY 2022-23.

25.0 SHAREHOLDERS' INFORMATION

i. 35th Annual General Meeting: Date: 28th September 2023

Time: 15:00 HRS

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

ii. Financial Calendar for FY 2023-24:

Particulars	Date
Accounting Period	1 st April 2023 to 31 st March 2024
Unaudited Financial Results for the first three quarters	Announcement within 45 days of each quarter
Fourth Quarter Results	Announcement of Audited results – on or before 29 th May, 2024
AGM (Next year)	September 2024 (tentative)



iii. **Dates of Book Closure:** 22nd September 2023 (Friday) to 28th September 2023 (Thursday) (both days inclusive)

iv. **Dividend Payment Date:** 04th October 2023 onwards

v. **Listing on Stock Exchanges:**

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

Stock Exchange Name	National Stock Exchange (NSE)	Bombay Stock Exchange (BSE)
Address	Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400051	Phiroze Jeejeebhoy Towers, Dalal Street Mumbai- 400001
Scrip Code	SJVN-EQ	533206

ISIN	INE002L01015	INE002L01015
Listing Date	20 th May 2010	20 th May 2010

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

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

The Annual Listing Fee for the Financial Year 2023-24 was paid to both National Stock Exchange of India Limited and BSE Limited. Also, the Annual Custodian Fee for the Financial Year 2023-24 has been paid to both Depositories i.e. Central Depository Services (India) Limited and National Securities Depository Limited within respective due dates.

vi. **Dividend History: (Since Listing)**

Financial Year	Interim Dividend			Final Dividend			Total Dividend (₹ in crore)
	Date of Declaration	Rate	Dividend per share (₹)	Date of Declaration	Rate	Dividend per share (₹)	
2022-23	06-02-2023	11.5%	1.15	To be declared at 35 th AGM			
2021-22	10-02-2022	11.5%	1.15	29-09-2022	5.5%	0.55	668.07
2020-21	12-02-2021	18%	1.80	29-09-2021	4.0%	0.40	864.55
2019-20	13-02-2020	17.0%	1.70	25-09-2020	5.0%	0.50	864.55
2018-19	08-02-2019	15.0%	1.50	27-09-2019	6.5%	0.65	844.89
2017-18	09-02-2018	19.0%	1.90	25-09-2018	2.0%	0.20	864.54
2016-17	13-02-2017	22.5%	2.25	22-09-2017	5.0%	0.50	1,137.54
2015-16	04-02-2016	6.3%	0.63	22-09-2016	4.7%	0.47	455.02
2014-15	05-02-2015	6.3%	0.63	22-09-2015	4.2%	0.42	434.35
2013-14	--	--	--	09-09-2014	9.8%	0.98	405.39
2012-13	--	--	--	12-09-2013	9.6%	0.96	397.12
2011-12	--	--	--	03-09-2012	9.4%	0.94	388.84
2010-11	--	--	--	26-08-2011	8%	0.80	330.93
2009-10	04-08-2009	1.9%	0.19	15-09-2010	6%	0.60	328.20

vii. **Credit Ratings**

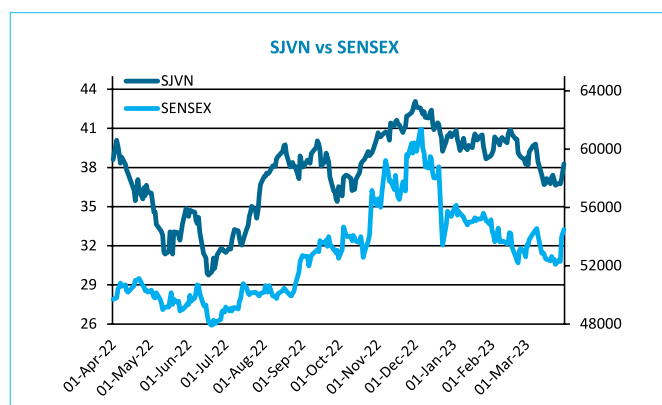
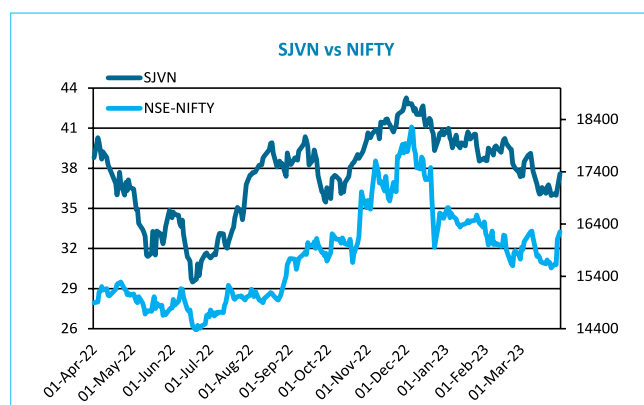
S. No.	Name of Rating Agency	Assigned Rating	Rated Amount (Rs in Cr.)	Type of Debt
1.	CRISIL Ratings	AA+ Stable	1000.00	Non-Convertible Debenture
2.	India Ratings & Research	AA+ Stable	1000.00	Non-Convertible Debenture
3.	India Ratings & Research	AA+ Stable	44.38	Term Loan
4.	CARE Ratings	AA+ Stable	2496.30	ECB
5.	CARE Ratings	AA+ Stable	100.00	Non-Fund based Limit for BGs
6.	CARE Ratings	AA+ Stable	3537.00	Term Loan
7.	Bricwork Ratings	AA+ Stable	500.00	Non-Fund Based Limit for BGs/ LCs
8.	Bricwork Ratings	AA+ Stable	100.00	Fund Based limit for Working Capital



viii. Stock Code & Market Price Data

Stock Code	National Stock Exchange (NSE)			Bombay Stock Exchange (BSE)		
	SJVN-EQ			533206		
Month	High	Low	Close	High	Low	Close
Apr-22	30.25	27.4	28.5	30.25	27.25	28.45
May-22	28.75	25.45	27.55	28.75	25.45	27.55
Jun-22	29.2	25.55	26.9	29.15	25.55	26.9
Jul-22	29.55	26.7	28.35	29.45	26.5	28.35
Aug-22	31.3	27.75	30.8	31.25	27.9	30.8
Sep-22	33.7	29.95	31.05	33.7	29.9	31.05
Oct-22	36.9	30.65	35.05	36.9	30.65	35.1
Nov-22	41.55	34.75	39.85	41.6	34.7	39.9
Dec-22	42.35	31.75	34.25	42.25	31.75	34.25
Jan-23	35.7	33.25	34	35.6	33.25	34
Feb-23	34.45	30.4	31.2	34.55	30.4	31.15
Mar-23	33.75	30.4	33.25	33.72	30.39	33.25

Performance in comparison to broad based indices NSE NIFTY and BSE SENSEX during F.Y. ended 31st March 2023.



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

Alankit Assignments Limited,
Alankit House,
4E/2 Jhandewalan Extension, New Delhi- 110055
Telephone: +911142541957
Fax No.: +911142541201
Email ID: rameshk1@alankit.com
Website: www.alankit.com

Debenture Trustee
IDBI Trusteeship Services Limited
Contact Person: CS Deepak Kumar
Asian Building, Ground Floor 17
R. Kamani Marg, Ballard Estate
Mumbai, Maharashtra – 400 001, India
Tel: +91 (11) 45708885,

Fax: 022 66311776
Email: deepakkumar@idbitrustee.com
Website: www.idbitrustee.com
SEBI Registration No.: IND000000460

x. Share Transfer System

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

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

Pursuant to Regulation 40 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements)



Regulations, 2015, a certificate on yearly basis from Practicing Company Secretary confirming due compliance of share transfer formalities by the Company through its share transfer agent has been submitted to stock exchanges within thirty days from the end of the Financial Year.

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

Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, details of unpaid and unclaimed amounts lying with the Company are available on the Company's web site link: <https://sivn.nic.in/iepf-details/59> and also on the website of Ministry of Corporate Affairs.

During the Financial Year 2022-23, an amount of ₹12,54,194.95 has been transferred to Investor Education and Protection Fund (IEPF), in respect of unpaid and unclaimed dividend amount pertaining to the Interim and Final Dividend for Financial Year 2014-15. Shareholders/beneficial owners are requested to submit the claim to R&TA without any delay or they may contact Mr. Soumendra Das, Nodal Officer and Mr. Arun Kumar Sharma, Deputy Nodal Officer for IEPF Authority, SJVN Limited, SJVN Corporate Office Complex, Shanan, Shimla - 171006, Himachal Pradesh for any query related to IEPF.

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

xii. Demat Suspense Account

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

xiii. Claim from IEPF Account

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

xiv. Distribution of Shareholding as on 31st March 2023

As on 31st March 2023, the shareholding of the Company was held by the Government of India, Government of Himachal Pradesh and the Public as 59.92%, 26.85% and 13.23% respectively.

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

Sr. No.	Size (Shares)	Holders	No. of Shares	% to total shares
1	1 - 500	258901	30745836	0.78
2	501 - 1000	28219	23193958	0.59
3	1001 - 2000	18354	27123413	0.69
4	2001 - 3000	5329	13857635	0.35

5	3001 - 4000	2537	9191459	0.23
6	4001 - 5000	2542	12240786	0.31
7	5001 - 10000	3658	27983647	0.71
8	10001 - 20000	1679	24444288	0.62
9	20001 - 99999999999	1610	3761014153	95.71
TOTAL		322829	3929795175	100

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

Sr. No.	Category	Holders	No. of Shares	% age
1.	Clearing Members	74.00	3027389.00	0.08
2.	Domestic Companies	575.00	29842422.00	0.76
3.	Employees	43.00	62434.00	0.00
4.	Foreign Portfolio - Corp.	54.00	69031892.00	1.76
5.	Foreign Portfolio - Ind.	1.00	1500.00	0.00
6.	HUF	4468.00	12537803.00	0.32
7.	Individuals	314701.00	234517109.00	5.97
8.	Insurance Companies	7.00	6390138.00	0.16
9.	Investor Education and Protection Fund	2.00	74395.00	0.00
10.	NRI Non-Rep	1143.00	3958267.00	0.10
11.	NRI Rep	1710.00	4669641.00	0.12
12.	Other Bank	1.00	10000.00	0.00
13.	Other Mutual Fund	19.00	153264403.00	3.90
14.	Promoters	2.00	3409816933.00	86.77
15.	State Government	1.00	10000.00	0.00
16.	Trusts	28.00	2580849.00	0.07
TOTAL		322829.00	3929795175.00	100.00

c. Details of the top ten Shareholders

Sr. No	Name of the Shareholder	No. of Shares	%age	Category
1	President of India	2354802133	59.9218	Promoters
2	Governor of Himachal Pradesh	1055014800	26.8466	Promoters
3	SBI Small Cap Fund	76269831	1.9408	Other Mutual Fund
4	CPSE Exchange Traded Scheme (CPSE ETF)	38953735	0.9912	Other Mutual Fund
5	Edgbaston Asian Equity Trust	18537622	0.4717	Foreign Portfolio-Corp.
6	ICICI Prudential Housing Opportunities Fund	11334580	0.2884	Other Mutual Fund
7	ICICI Prudential PSU Equity Fund	8600349	0.2189	Other Mutual Fund
8	The Edgbaston Asian Equity (Jersey) Trust	7985776	0.2032	Foreign Portfolio-Corp.
9	Federated Hermes Emerging Asia Equity Fund Master S.P.	7155946	0.1821	Foreign Portfolio-Corp.
10	Gujarat Ambuja Exports Ltd.	6399829	0.1629	Domestic Companies

xv. Dematerialization of Shares and liquidity as on 31st March 2023

In compliance with SEBI directions, 100% of promoter / promoter group shareholdings in SJVN Limited are in dematerialized form.



Reconciliation of Share Capital Audit Report of the company obtained from Practicing Company Secretary on quarterly basis during the financial year 2022-23 has been submitted to Stock Exchanges within the stipulated time.

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

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

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

The Risk Management Policy has been disclosed on the website of the company and may be accessed at https://sjvnindia.com/UploadFiles/Page/654702564_PageDocument_Risk%20management%20Policy.pdf.

xviii. Number of Shares, Convertible Instruments held by Directors and Relationships between Directors Inter-Se, as on 31st March, 2023:

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

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

xix. Plant/ Project Office locations

1. Corporate Office-

Corporate Head Quarters, Shakti Sadan Complex, Shanan, Shimla-171006

2. Liaison Office-

Office Block, Tower 1, 6th Floor, NBCC Complex, East Kidwai Nagar, New Delhi-110023

3. Liaison Office SJVN Ltd. Arunachal Pradesh-

The Mall House, Model Village, Naharlagun, Distt. Papum Pare, Arunachal Pradesh-791110

4. Projects:-

i. Nathpa Jhakri Hydro Power Station-

Jhakri, Post Office Jhakri, District Shimla, Himachal Pradesh, Pin Code-172201

ii. Rampur Hydro Power Station-

Bayal, Post Office-Koyal, Tehsil-Nirmand, Distt. Kullu, Himachal Pradesh, Pin Code-172023

iii. Luhri Hydro Electric Project Stage-I

Bithal, Post Office, Shanathla, Distt. Shimla, Himachal Pradesh, Pin Code-172030

iv. Sunni Dam Hydro Electric Project & LHEP-II

Gupta Niwas, Koldam Colony, Tehsil-Sunni, Distt. Shimla, Himachal Pradesh, Pin Code-171301

v. Dhaulasidh Hydro Electric Project-

House No.21, Ward No. 1, Heera Nagar, Distt. Hamirpur, Himachal Pradesh, Pin Code-177001

vi. Jangi Thopan Powari Hydro Electric Project-

Shudarang, Near DFO Office, Reckongpeo, Distt. Kinnaur, Himachal Pradesh, Pin Code-172107

vii. SJVN Ltd. Chenab Valley Projects-

VPO Udaipur, Distt. Lahaul Spiti, Himachal Pradesh, Pin Code-175142

viii. Devsari Hydro Electric Project-

Kulsari, Tehsil-Tharali, Distt. Chamoli, Uttarakhand, Pin Code-246481

ix. Naitwar-Mori Hydro Electric Project-

Village-Bainol, PO-Mori, Tehsil-Mori, Distt. Uttarakashi, Uttarakhand, Pin Code-249128

x. Jakhol Sankri Hydro Electric Project-

Tehsil-Mori, Distt. Uttarakashi, Uttarakhand, Pin Code-249128

xi. Khirvire Wind Power Station-

Plot No. 12- Shivaji Nagar, Near Datta Mandir, Sinnar, Distt. Nashik, Maharashtra, Pin Code-422103

xii. Charanka Solar Power Station -

H. No. 3, MI Park Society, Near MP Shah Commerce College, Vikas Path Road, Wadhawan City, Surendranagar, Gujarat, Pin Code-363035

xiii. Sadla Wind Power Project -

H. No 3, MI Park Society, Near MP Shah Commerce College, Vikas Path Road, Wadhawan City, Surendranagar, Gujarat, Pin Code-363035

xiv. Bihar Solar Power Project-

169, Patliputra Colony Patna, 800013, Bihar

xv. Bagodra Solar Power Project-

Office No. 902, One World West, Near Ambli T-Junction, S.P. Ring Road Bopal, Ahmedabad, Gujarat-380058



xvi. Parasan Solar Power Project-

Galaxy Glow, 546, B-Block, Panki, Opposite Tripathi Guest House, Kanpur (U.P)-208020

xvii. Gurhah Solar Power Project-

Village-Gurhah, Tehsil-Orai, Distt. Jalaun, Uttar Pradesh

xviii. Gujrai Solar Power Project-

Village-Gujrai, Tehsil-Akbarpur, Distt. Kanpur Dehat, Uttar Pradesh

xix. Gujarat Solar Power Project-

A-509 & A-510, Navratna Corporate Park, Ashok Vatika, Ambli-Bopal Road, Ahmedabad-380048

xx. Raghnesda Solar Power Project-

Office No. 509 & 510, Tower-A, Navratna Corporate Park, Ambli Road, Bodakdev, Ahmedabad-380058

xxi. Jamui Solar Power Project-

C/o Prasun Kumar Singh, Near Railway Station, Malaypur, Jamui, Bihar-811313

xxii. Banka Solar Power Project-

Navya Minar Complex Flat No.5F, Bajla Chowk, Castairs Town, Deoghar, Jharkhand-814113

xxiii. SJVN Green Energy Limited Jaipur-

16, Shri Gopalnagar, Near Maheshnagar, Police Station Gopalpura Bye-Pass, Jaipur-302019

xxiv. Bikaner Solar Power Project-

3rd Floor, Polt No. A-17, Khatod Mansion, Kanta Jhaturia Colony, Challana Hospital Road, Bikaner, 334001

xxv. Punjab Solar Power Project-

Second Floor, SCO-109, Sector-47C, Chandigarh-160047

xxvi. Omkareshwar Floating Solar Power Project-

Guru Kripa Building, Ward No.- 15, Behind Saraswati Shishu Mandir School, Near Mundi House Triangle Chouraha, Sanawad, MP- 451111

5. Projects under Subsidiary Companies: -

i. Buxar Thermal Power Project (STPL)-

2nd & 3rd Floor, Nav Durga Complex, Ambedkar Chowk, Distt. Buxar, Bihar, Pin Code-802103

ii. SJVN Arun-III Hydro Electric Project (SAPDC)-

Koshi Highway, Khandwari, Distt. Sakhuwasabha, Nepal

iii. SJVN Green Energy Ltd., Shimla-

Shakti Sadan Shanan, Shimla, H.P.-171006

xx. Address for Correspondence:

Registered and Corporate Office:-

SJVN Limited

Corporate Head Quarters, Shakti Sadan, Shanan, Shimla - 171006 Himachal Pradesh

Tel: 0177- 2660002/ 03/ 04/ 05, Fax no.: 0177- 2660 001

Company Secretary, SJVN Limited: -

SJVN Corporate Office Complex, Shakti Sadan, Shanan, Shimla - 171006, Himachal Pradesh

Tel: +91 177 2660075, Fax: +91 177 2660071.

E-mail: cs.sjvn@sjvn.nic.in , Website: www.sjvn.nic.in

For and on behalf of Board of Directors

(Nand Lal Sharma)

Chairman and Managing Director

DIN: 03495554

Date: 9th August, 2023

Place: New Delhi



Annexure – III

CERTIFICATE ON CORPORATE GOVERNANCE

The Members,
SJVN Limited,
(CIN: L40101HP1988GOI008409)
SJVN CORPORATE OFFICE COMPLEX
SHANAN, SHIMLA,
HIMACHAL PRADESH – 171006

1. I have examined the compliance of conditions of Corporate Governance by SJVN Limited having its registered office at SJVN Corporate Office Complex, Shanana, Shimla, Himachal Pradesh- 171006, for the year ended on 31st March, 2023 as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement (s) of the said Company with stock exchange(s), and Guidelines on Corporate Governance for Central Public Sector Enterprises, 2010 issued by Department of Public Enterprises, Ministry of Finance, Government of India.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to review the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Regulation and Guidelines. It is neither an audit nor an expression of opinion of the Financial Statements of the Company.
3. In my opinion and to the best of my knowledge and information and according to the explanations given to me, I certify that the company has complied with the mandatory conditions of the Corporate Governance as stipulated in Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement (s) of the said Company with stock exchange(s) and DPE Guidelines for Corporate Governance except the Composition of Board of Director as required in Regulation 17(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause No. 3.1.4 of DPE Guidelines.
4. I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency for effectiveness with which the management has conducted the affairs of the Company.

For Santosh Kumar Pradhan
(Company Secretaries)

Santosh Kumar Pradhan
(Proprietor)
Membership No. F-6973
C.P. No. 7647
P.R.C. No. 1388/2021
UDIN: F006973E000609927

Date: 14th July, 2023
Place: Ghaziabad

Annexure – IV

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

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

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

A. CONSERVATION OF ENERGY:

The following works has been carried during year 2022-23 related to Energy Conservation: -

1. Nathpa Jhakri HPS

- i. Old AC at mayure/monal bhawan has been replaced with new energy efficient 3-star AC's.
- ii. All household old tube fixtures consuming more energy have been replaced with LED type fixtures around residential colonies. (1000 nos. 20-watt LED in place of 40 watt.)



2. Rampur HPS

- i. Design, Supply & Installation of PLC's, Radar Type Level Sensor & Associated Equipment's and Integration thereof in Existing SCADA Of Rampur HPS, for Nathpa Dam Reservoir Level through Alternate Route Via VPN Link to Achieve Fine Tuning of TOS Level Controller Parameters of Rampur HPS.
- ii. Complete Retrofit Solution/Upgradation of existing one bank of Generator CO2 fire protection system (Cylinders + Control panel) for 02 Nos. Generating Units of RHPS.
- iii. Design, supply & Installation of Digital Pressure and Temperature Transmitters in Cooling Water (CW) System of Generating Units of Rampur HPS and integration with SCADA for continuous online monitoring & trending.

The Total expenditure incurred in FY 2022-23 against the above Innovative Works is around 1.25 Crore.

3. Corporate Headquarters, Shimla

- i. A 120 kWp on Grid solar power plant has been installed and successfully operating in CHQ, Shimla. Water solar heating system of 5000 Ltr Capacity is also functional and the hot water is used in the building for daily consumption.
- ii. Shakti Sadan, Corporate Headquarters Building, SJVN Shimla Himachal Pradesh has been rated as 4-star rating for Green Rating for Integrated Habitat Assessment by GRIHA council on dated 24th June 2022. The CHQ building is designed and constructed with state of art technology with a green building concept equipped with a Sewage Treatment plant of 90KLD capacity for recycling dirty water. The rain water harvesting system with a capacity of 50 KL. Natural lighting with a provision of sky light glasses, fully centralised HVAC system, Escalators and lifts, touchless soap dispensers and biometric iris recognition (Face detection) attendance machines have been installed in the CHQ building.
- iii. Intelligent/Automatic lighting systems are used in building premises. Most of the lights installed in galleries and wash rooms are sensor controlled and thus saving electricity.
- iv. The bio-diversity park under CSR at MC Shimla land adjacent to the building is operational. A 1.3 kW capacity hydro generating station is also operational to fulfil the energy requirement of the park. In addition, 11 no solar lights have been installed in the park to lighten the area in the night hours.

B. TECHNOLOGY ABSORPTION:

The following works has been carried during year 2022-23 related to technology Upgradation: -

i. Upgradation of Excitation System from SIMADYN-D Processor (Thyripol-D) to Thyricon-600.

Main functions of excitation system is to provide DC current with short time overload capability, controlling terminal voltage with suitable accuracy, ensure stable operation with other machines, contribution to transient stability subsequent to a fault, communicate with the power plant control system and to keep machine within permissible operating range. The excitation system is controlled by a SIMADYN-D Processor (Thyripol-D).

Since commissioning it has been observed that the failure/fault in the excitation system is due to failure of processor cards, power supply units and operator panels only. The Old excitation system is working on window 95 and being very old software, many times operational difficulties have been faced by us & M/s Voith Hydro PSS tuning expert even failed in operating the old software i.e., the programming device PG-740. PG-740 is used for changing/upgrading the parameters of excitation systems during normal as well as abnormal condition. There is no expert available in India/abroad with M/s Voith Hydro (OEM) to operate or check the problem of excitation system software during the need of hour. Keeping in view of the technological change and problem faced by SJVN in excitation system, the old excitation control panel of 04 no's were upgraded up to 2021-22 & remaining two nos. are upgraded in the year 2022-23 with latest technology i.e., Thyricon-600 whose spares and services will be available minimum for next 10 years in the market.

ii. Upgradation of motors/ geared motor drive units of 250T/50T/10T Munck make cranes.

Two (02) Nos 250T/50T/10T Munck make cranes were in use since commissioning time. Being more than 20 yrs. old (and technology even older than that), motors/ geared motor drive units have started frequent problem. In past frequency of breakdowns has increased due to old system and non-availability of after sales support & services. Accordingly, to improve the reliability, the complete motors/ geared motor drive units of these cranes has been upgraded with latest technology as system improvement. The firm has undertaken to extend spare and technical support minimum for 10-15 years.

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

The entire control of the machine is governed by the Governor system. The spare & service support of the obsolete system was not available from the OEM. Hence, the Governor Control system of two nos. generating system was successfully upgraded with the latest Governor Electronic Cubicle, Governor Hydraulic Cubicle, MIV Control Cubicle and associated equipment's to ensure the trouble-free operation of the Governor system and also their spare availability for at least next twenty years. Accordingly, two nos. Generating unit was upgraded in the year 2021-22 and two no's, generating unit has been upgraded in the year 2022-23.

New Governor Control System equipped with 15 inches' touch-based operator console for digitally display of all Governor relates parameters and event list for better analysis. The specially designed Controller for Governor System are fast, having extensive diagnostic facility for the fault identification & can be integrated with existing DCS System.

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

Over the years due to extensive repair by welding & grinding on the damaged runners, M16 holes of runner which is used



for fixing the Lower Labyrinth Seal Rotating (LLSR) have been distorted.

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

It is difficult to assemble the Lower Labyrinth Seal Rotating (LLSR) with distorted M16x60 holes at PCD 2660 of Runner.

In Situ drilling & tapping of new M16 holes is the better solution for distorted holes.

In situ drilling Tapping of M16x60 holes has been carried out in three Runner RN #101, RN#105 & RN#201.

v. New Central Robotic Hard coating facility and O&M Workshop

NJHPS has established a new Central Robotic Hard coating facility and O&M Workshop at its project site for repair and subsequent HVOF Coating of turbine underwater parts. Previously, repair & reclamation of components was being performed in interim arrangement at separate locations. With this facility, large turbine parts of the Power Station with complex geometrical profiles would be repaired and transported efficiently and thus the quality reclamation process of these parts got enhanced.

SJVN is the first PSU in the country to have such establishment as 'state -of- the art' facility at project site. The Central O&M Workshop consists of Liquid Fuel Coating Equipment including Robot & turntable (programmable 8-axis), 50 Ton capacity Large Turntable (Manipulator/Tilt Positioners) for Repair/ Coating of Francis Turbine Runner and other large sized hydro turbine components, Fuel / Gas Supply System including Gas Leakage Detection & Alarm System, Grit Blasting Equipment with Grit Recovery system, Acoustic Rooms for Coating & Grit Blasting Processes including separate Dust Extraction Filter Systems, Centralized Welding Fume Extraction System with Air Quality Monitoring System and HVOF Coating Labs etc. The central V O&M Workshop is equipped with 60Tx40Tx10T capacity EOT crane for handling of massive hydro turbine components.

C. DIGITAL TECHNOLOGY ABSORPTION:

Information Technology:

- i. SJVN website and email services are being implemented on NIC infrastructure.
- ii. Thin client Systems are being used in SJVN along with desktop computers and laptops.

iii. Centralized printing solution is being used in SJVN.

iv. Other Software used in SJVN are-

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

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

Other Portals/ Systems implemented are-

- i. Recruitment portal;
- ii. Vendor Bill Tracking portal;
- iii. Retired Employees Portal;
- iv. Engineering Drawing Management system portal;
- v. Contract Labour Information Portal;
- vi. SAP ERP e-tendering system.

D. FOREIGN EXCHANGE EARNINGS AND OUTGO

Foreign exchange outgo in terms of actual outflows during the year 2022-23 was ₹468.09 Crores (equivalent value of various currencies). Foreign exchange earned in terms of actual inflows during the year 2022-23 was Nil.

For and on behalf of Board of Directors

(Nand Lal Sharma)

Chairman and Managing Director

DIN: 03495554

Date: 9th August, 2023

Place: New Delhi



Annual Report on Corporate Social Responsibility and Sustainability for the Financial Year, 2022-23

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

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

The CSR and Sustainability programs are implemented through a Trust registered as 'SJVN Foundation' comprising seven trustees from cross functional departments and is headed by Director (Personnel) as its Chairman. The trust 'SJVN Foundation' is e-registered (Registration No: CSR00019659) with MCA, GoI for undertaking CSR activities. The Trust is responsible for laying down management commitments to address societal issues as well as develop framework that provides an overview of issues that SJVN needs to tackle.

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

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

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

Sl. No	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Danveer Singh Yadav	Independent Director- Chairman	2	2
2	Dr. Udit Tyagi	Independent Director- Member	2	2
3	Sh. Saroj Ranjan Sinha	Independent Director- Member	2	2

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

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

The CSR projects approved by the Board are available in public domain at <https://sjvn.nic.in/csr-expenditure/77>.

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

4. Provide the executive summary along with web-link(s) of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

As per the sub-rule (3) of rule 8 of Companies Amendment Rules, 2021, the impact of the projects having value of ₹100.00 lakh or more was to be conducted. No project having value of ₹100.00 lakh or more was completed during FY, 2020-21. However, the impact assessment study of the six projects having value ₹ 100.00 lakh or more and completed in the FY 2019-20 has been conducted in FY 2022-23. All the six CSR programs as per the Social Impact Assessment (SIA) report have positive impact on stakeholders.

The executive summary of the impact assessment study is as under:

The Impact assessment is conducted in accordance with the scope of work and terms of reference (ToR) outlined by SJVN for all completed CSR Programs/Projects/Activities with a value of ₹100.00 lakh or more and in accordance with MCA, Notification dated 22nd January, 2021 Companies Amendment Rules, 2021 (Rule 8.3). The purpose of this study was to evaluate the impact of CSR initiatives of SJVN Ltd at various project sites in five Indian states. This impact report is the result of secondary research and extensive fieldwork conducted at project sites in Himachal Pradesh, Bihar (Buxar), Uttarakhand (Uttarkashi and Chamoli), Maharashtra (Nasik and Ahmednagar) and Gujarat (Patan and Surendranagar). Impact Assessments for SJVN's CSR initiatives were conducted by M/s S.R Asia at CSR Project sites by a team of trained and qualified investigators. Throughout the process, implementation agencies were contacted and consulted to obtain the necessary information and gain access to the beneficiaries. The Impact Assessment team consulted with project beneficiaries in order to conduct a thorough examination of the schemes and the various benefits received. SJVN's CSR initiatives have proven indispensable and complementary to the enhancement of the quality of life in project-affected regions. Affected parties have expressed an interest in the project's continuation. The assessment report elaborates funding details, infrastructural details, observations and impacts, beneficiaries' feedback and pictures from the field for each initiative along with tables and figures to support the necessary for each of the initiatives.



This study covers six CSR projects having a project cost value of ₹100 Lakh and more and brief details of the same are as follow:

- i. SJVN's initiative in the education sector includes the construction of building for ITI, Berthin, Bilaspur in Himachal Pradesh. The addition of a new building to the institute has opened many doors for aspirant students from the surrounding areas who wished to enroll in a new type of courses. In ITI, Bilaspur two courses had been initiated following the construction of a new building. The added infrastructure enables the institute's administrators to introduce more courses and accept more students. In addition to being useful for new admissions, the building provides space for additional classes, as well as more machines and scientific equipment. The financial assistance provided by SJVN was utilized effectively in construction of the buildings and all parties involved are pleased with this endeavor.
- ii. Financial support to ITI, Bangana, District Una (HP) serves a social purpose as majority of its students come from socio-economically disadvantaged backgrounds. Vocational training institutes such as ITI, Bangana play a crucial role in creating career opportunities for young people who are more interested in skill based education/vocation than in academics. The SJVN funded new building has enabled the institute to introduce five new courses. SJVN's financial support to ITI, Bangana is a welcome initiative in light of the country's rising unemployment rate. The building structure is well constructed and well maintained from a building perspective. The building is sufficiently spacious and well maintained to accommodate students with ease.
- iii. The SJVN Silver Jubilee Scholarship, which began in 2012 and continues to this day across five states, is a one-of-a-kind programme that encourages students in project-affected areas to pursue higher education. Scholarships are awarded to meritorious students regardless of social creed and class. Each student was given ₹24,000 per annum to support and promote higher education. This programme cultivates a scientific mindset for academics and competitive examinations.
- iv. The construction of a Hostel in Saraswati Vidhya Mandir- Vikasnagar, Shimla (HP), has increased the new building's capacity for students by 150. This initiative to build dormitories has aided the school's educational efforts by creating a conducive environment for studying. A green building concept and design were utilized in the construction of the hostel building. The dormitory has sufficient space to house all students enrolled in the current academic year and to admit additional students in future.
- v. SJVN's initiative towards the Swachh Bharat Mission is the installation of 23,000 twin-set dustbins in the two Parliamentary Constituencies of Shimla and Mandi of HP. The purpose of the CSR programme is to educate the general public about waste and waste management. According to the responses of the area's direct and indirect beneficiaries, the twin set dustbin was placed in designated areas, institutions, and places of frequent use. The initiative aimed to reduce littering in public and institutional areas, and as a result, the Impact Assessment team made a concerted effort to visit and meet with the public at large in order to evaluate the facility's impact and the public's response to its use. Due to extreme weather conditions, road widening, and construction activities, it was observed that garbage bins in public areas were scarce. People also reported that as a result of the heavy precipitation, hail storms, and snowfall in the area, the Twin set dustbin have been damaged. The investigating team enquired about the missing dustbins and it was reported by the locals that a few were taken by local people for personal usage. In contrast, in institutional areas Twin set dustbin are intact and rarely used. Overall, the installation of waste receptacles has increased people's awareness of waste management; however, the design of waste receptacles was not suitable for handling wet waste. In addition, no provisions were made for waste cleaning, collection, and disposal.
- vi. A total of 500 Ayurvedic health awareness camps were organised in FY 2019-20 in multiple locations to educate the public on the benefits of a natural way of living. Bhartiya Dharohar organized the Ayurvedic camps at project and non-project locations. The campaign included information about Ayurveda and raising awareness among people of all ages about an Ayurvedic and natural way of life. With this initiative, the people's minds had been impacted, and the younger generation had been positively influenced in regards to our advanced ancient science and living practices.

Overall beneficiary and stakeholder satisfaction with the number of projects assessed and covered in this report is greater than satisfactory and areas for improvement and feedback received during field visits and consultation meetings have been summarized alongside each project's assessment.

Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 is available in public domain at <https://sjvn.nic.in/csr-iasr/377?pageid=377>.

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

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

SN	FYs	Net profit (₹ in Lakhs)
1	2019-20	195936
2	2020-21	216602
3	2021-22	134344
4	Average of (1+2+3)	182294

(b) Two percent of average net profit of the company as per section 135(5) : ₹ 3645.88 Lakh

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. : NIL

(d) Amount required to be set-off for the financial year, if any. : NIL

(e) Total CSR obligation for the financial year [(b)+(c)-(d)] : ₹ 3645.88 Lakh

6 (a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects): ₹ 59,50,77,811.40

(b) Amount spent in Administrative Overheads : ₹ 14,23,551.00



- (c) Amount spent on Impact Assessment, if applicable : ₹ 19,35,721.00
 (d) Total amount spent for the Financial Year [a)+b)+c)] : ₹ 59,84,37,083.40
 (e) CSR amount spent or unspent for the Financial Year:

Total amount spent for the financial year (in ₹)	Amount Unspent (in ₹)				
	Total amount transferred to Unspent CSR Account as per sub section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to subsection (5) of section 135		
	Amount	Date of transfer	Name of fund	Amount	Date of Transfer
	NIL				

- (f) Excess amount for set off, if any

Sl. No.	Particular	Amount (in ₹)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	36,45,88,000.00
(ii)	Total amount spent for the Financial Year	59,84,37,083.40
(iii)	Excess amount spent for the financial year [(ii)-(i)]	23,38,49,083.40
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	23,38,49,083.40

7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1	2019-20			Nil			
2	2020-21			Nil			
3	2021-22			Nil			
	TOTAL			Nil			

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

If yes, enter the number of Capital assets created/acquired Nil

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owners		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not applicable							

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

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

(Smt. Geeta Kapur)
Director (Personnel)
DIN: 08213642

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



BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)

Section A: General Disclosures

Details of the listed entity:

S. No.	Question	Response
1.	Corporate Identity Number (CIN) of the Entity	L40101HP1988GOI008409
2.	Name of the Listed Entity	SJVN Limited
3.	Year of Incorporation	24/ May/ 1988
4.	Registered Office Address	SJVN, Corporate Office Complex, Shanam Shimla – 171006, Himachal Pradesh
5.	Corporate Address	SJVN, Corporate Office Complex, Shanam Shimla – 171006, Himachal Pradesh
6.	E-mail	cs.sjvn@sjvn.nic.in
7.	Telephone	0177 2660075
8.	Website	www.sjvn.nic.in
9.	Financial Year for which report is being done	1 st April 2022 – 31 st March 2023
10.	Name of the Stock Exchange(s) where shares are listed	BSE India (Bombay Stock Exchange) NSE India (National Stock Exchange)
11.	Paid-up Capital (INR.)	3,929.80 crore
12.	Name and contact details (<i>telephone, email</i>) of the person who may be contacted in case of queries on the BRSR report	Sh. Nand Lal Sharma Chairman and Managing Director 0177 2660075 cs.sjvn@sjvn.nic.in
13.	Reporting Boundary (<i>Standalone or Consolidated basis</i>)	Standalone

Products and Services:

14. Details of business activities (*accounting for 90% of the turnover*):

S. No.	Description of Main Activity	Description of Business Activity	%Turnover of the entity
1.	Power Generation	Generation of electricity, consultancy, and transmission	89%
2.	Other Income	Interest income and Other Non-operational incomes	11%

15. Product/ Services sold by the entity (*accounting for 90% of the entity's turnover*):

S. No.	Product/ Service	NIC Code	%of total turnover contributed
1.	Energy Sales	35101	96%
2.	Revenue from Power Trading	35101	0.01%
3.	Consultancy Income	35101	0.3%
4.	Other Operating Income	35101	4%



Operations:

16. Number of locations where plants and/or operations/ offices of the entity are situated:

Location	Number of Plants	Number of Offices	Total
National	8	2	10
International	0	0	0

17. Markets Served by the Entity:

a. **Number of Locations:**

Location	Number
National (No. of States)	Pan India
International (No. of Countries)	Nil

b. What is the contribution of exports as a percentage of the total turnover of the entity?

SJVN Limited (hereafter mentioned as SJVN) is an electricity generating company which services through its various DISCOM pan India.

c. A Brief on types of customers?

SJVN 's direct customers are various DISCOMs across India and the end consumers are the citizens and industries.

Employees:

18. Details as at the end of Financial Year 2022- 23:

a. **Employees and Workers**

Employees (including differently abled)						
S. No.	Particulars	Total (A)	Male		Female	
			Number (B)	Percentage (B/A)	Number (B)	Percentage (B/A)
1.	Permanent Employees	1,222	1,075	88%	147	12%
2.	Other than Permanent Employees	0	0	0%	0	0%
3.	Total Employees (1+2)	1,222	1,075	88%	147	12%

Footnote: Permanent employees comprise of all executives and supervisors (inclusive of FTAs) of SJVN.

Workers (including differently abled)						
S. No.	Particulars	Total (A)	Male		Female	
			Number (B)	Percentage (B/A)	Number (B)	Percentage (B/A)
4.	Permanent Workers	350	322	92%	28	8%
5.	Other than Permanent Workers	0	0	0%	0	0%
6.	Total Workers (4+5)	350	322	92%	28	8%

Footnote: Permanent workers as above includes FTAs.

b. **Differently abled Employees and Workers**

Differently Abled Employees						
S. No.	Particulars	Total (A)	Male		Female	
			Number (B)	Percentage (B/A)	Number (B)	Percentage (B/A)
1.	Permanent Employees	36	31	86%	5	14%
2.	Other than Permanent Employees	0	0	0%	0	0%
3.	Total Employees (1+2)	36	31	86%	5	14%



Differently Aabled Workers						
S. No.	Particulars	Total (A)	Male		Female	
			Number (B)	Percentage (B/A)	Number (B)	Percentage (B/A)
4.	Permanent Workers	10	9	90%	1	10%
5.	Other than Permanent Workers	0	0	0%	0	0%
6.	Total Workers (4+5)	10	9	90%	1	10%

19. Participation/ Inclusion/ Representation of Women			
	Total (A)	Number of Female (B)	Percentage (B/A)
Board of Directors	11	2	18%
Key Management Personnel	3	0	0%

20. Turnover rate for permanent employees and workers:									
	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	5%	2%	7%	3%	1%	4%	7%	2%	9%
Permanent Workers	At SJVN, turnover of workers has not been observed over the reporting period.								

Holding, Subsidiary and Associate Companies (including joint ventures):

21. (a). Names of holding/ subsidiary/ associate companies/ joint ventures				
S. No.	Name of the holding/ subsidiary/ associate company/ joint venture	Indicate whether holding/ subsidiary/ associate company/ joint venture	% Of shares held by listed entity	Does the entity indicated at Column A, participate in the Business Responsibility initiatives of the entity (Yes/ No)
1.	SJVN Thermal Private Limited	Subsidiary Company	100%	No
2.	SJVN Green Energy Limited	Subsidiary Company	100%	No
3.	SJVN Arun 3 Power Development Company Pvt. Ltd.	Subsidiary Company	100%	No
4.	Cross Border Power Transmission Company Limited	Joint Venture Company	26%	No

CSR Details: 22.

(i). Whether CSR is applicable as per Section 135 of Companies Act, 2013 (Yes/No)	Yes
(ii). Turnover (in INR.)	3,299 Crore
(iii). Net Worth (in INR.)	13,821.97 Crore



Transparency and Disclosures Compliances:

23. Complaints/ Grievances on any of the principles (1-9) under the National Guidelines on Responsible Business Conduct:

Stakeholder Group	Grievance Redressal Mechanism in place (Y/N) (Provide web-link of policy)	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
		Number of complaints filed	Number of complaints pending at close of year	Remarks	Number of complaints filed	Number of complaints pending at close of year	Remarks
Communities	The company has an independent CSR Cell, which encourages open communication between community members, NGO partners, CSR team and other involved stakeholders. In addition, as part of CSR program, Village level committees are established which regularly interacts with communities to identify their needs, concerns & issues, and address them in a timely and effective manner.	0	0	-	0	0	-
Implementing Partners		0	0	-	0	0	-
Investors Shareholders	The Company Secretary Department is primarily & statutorily responsible for addressing the grievances of various Shareholders of the Company. The Company Secretary is the designated "Compliance Officer" as well as "Investor Relations Officers" under the applicable laws. All Investor complaints need to be resolved within 30 days of receipt. As per the Companies Act, 2013, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted Stakeholders Relationship Committee to consider and resolve the grievances of security holders of the company. The Committee holds periodic meetings and takes stock of the position of Stakeholder Grievances from time to time. Company also files Investor Complaints Report quarterly with the stock exchanges where it is listed i.e., BSE and NSE. The filed report is then presented before the board of directors in the meeting.	64	0	All complaints resolved during the year	56	2	The complaint was resolved in next quarter
Employees and Workers	At SJVN, we attempt to redress the complaints and grievances of our employees through well framed Grievance Redressal Machinery which ensures expeditious settlement of grievances within the stipulated time frame. The individual grievances of the employee are dealt through a three-stage process. In case the employee is not satisfied with the reply at Stage-I, the grievance can be escalated to Stage-II and Stage-III respectively.	0	0	-	0	0	-



Customers	At Central level, we have CERC which resolves the regulatory issues of DISCOMs. Specific states have their regulatory SERCs, through which grievances are registered and resolved in a timely and effective manner. At SJVN, we have a standard customer grievance redressal guideline to resolve any complaint/ dispute.	0	0	-	0	0	-
Value Chain partners	All our vendors can directly reach out to our purchase or procurement team representatives via telephone / mails to register the complaints/ issues; they can also raise it on GeM portal which will get addressed within a stipulated period with appropriate action from SJVN.	0	0	-	0	0	-

24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material Issue Identified	Indicate whether Risk or Opportunity	Rationale for identifying the risk/ opportunity	In case of Risk, approach to adapt or mitigate	Financial Implications of the risk or the opportunity
1	Climate Change Mitigation	Opportunity	The hydropower industry can contribute to climate change mitigation by expanding capacity, integrating intermittent renewables, and enhancing resilience to climate impacts. This will help reduce greenhouse gas emissions and combat climate change globally.	<i>Not Applicable</i>	Increased investment prospects, revenue generation potential, cost savings through carbon avoidance, access to incentives and subsidies, financial resilience to climate risks, access to green finance, and improved risk management through insurance.
2	Water Management	Risk and Opportunity	SJVN may face risks in water management due to climate change and hydrological variability. Fluctuations in water availability can affect electricity generation capacity and revenue, while droughts or reduced flows can reduce power production. Compliance with environmental regulations and mitigation measures may also be challenging.	SJVN can reduce water management risks by investing in advanced hydrological modeling, water-efficient technologies, diversifying water sources, engaging stakeholders, and investing in reservoir management techniques. These strategies improve forecasting, planning for water scarcity, optimizing usage, and minimizing wastage in hydropower plants. Regular consultations and transparent communication help build positive relationships and mitigate conflicts.	The costs associated with regulatory compliance, environmental mitigation, and dam safety maintenance can strain the company's financial resources. Stakeholder concerns, including conflicts over water allocation and social impacts on local communities, can also create financial and reputational risks for SJVN.
3	Community Development	Opportunity	SJVN, as a responsible corporate citizen, has assimilated Corporate Social Responsibility (CSR) as an integral part of its business and is pledged to fulfill its social and environmental commitments for meaningful organizational growth. SJVN Foundation through various CSR initiatives works for the upliftment and development of society by driving inclusive growth, social equity, and sustainable development.	<i>Not Applicable</i>	SJVN is of the firm belief that a part of its profits should essentially and regularly flow to the society and the stakeholders in terms of the government guidelines.



S. No.	Material Issue Identified	Indicate whether Risk or Opportunity	Rationale for identifying the risk/ opportunity	In case of Risk, approach to adapt or mitigate	Financial Implications of the risk or the opportunity
4	Stakeholder Engagement	Opportunity	Stakeholder engagement presents a valuable opportunity for SJVN. By actively involving and collaborating with stakeholders, including local communities, indigenous groups, government agencies, and non-governmental organizations, SJVN can gain an edge.	<i>Not Applicable</i>	SJVN can minimize risks by actively involving stakeholders. This approach identifies and addresses concerns early, reduces conflicts, builds positive relationships, supports social liaison, and minimizes reputational risks. Engaging stakeholders accelerates project timelines and reduces costs.
5	Occupational Health and Safety	Risk	SJVN may face occupational health and safety challenges, which expose employees to hazards like accidents, injuries, and potential loss of life. Inadequate addressing can result in legal liabilities, financial penalties, project delays, and damage to the company's reputation.	SJVN prioritizes employee well-being and safety through comprehensive policies, regular risk assessments, PPE provision, safety training, inspections, emergency response plans, and open communication channels. This approach ensures a safe working environment and minimizes accidents or injuries, fostering a strong safety culture.	Workplace accidents and injuries can lead to increased costs, compensation claims, and project disruptions, affecting employee morale, productivity, and retention, ultimately affecting company financial performance.
6	Human Rights	Risk and Opportunity	SJVN prioritizes human rights for ethical and sustainable business practices, building strong relationships with local communities and indigenous groups. This commitment fosters trust, goodwill, and a positive reputation. Integrating human rights principles into policies and practices creates an inclusive work environment, attracts talent, and establishes itself as a responsible and socially conscious organization in the hydropower industry.	SJVN upholds human rights standards by investing in community development programs, establishing grievance mechanisms, and prioritizing employee rights and safety. This approach promotes sustainable development, positive relationships, and fair labor practices.	Failure to respect and protect human rights can result in reputational damage, legal disputes, regulatory non-compliance, and social unrest.
7.	Risk Management	Risk	SJVN has a comprehensive Risk Management Policy. The Policy has been duly supplemented with separate and comprehensive Risk Management Plans for each project duly approved by the Board. The main objective of risk management is to identify all the business-related activities followed by activity related potential risks followed by identification of various triggers and other factors associated with risks and their mitigation measures to overcome them with minimum effect to business.	SJVN has a Risk Management Committee is to monitor, review and update the Risk Management Policy, Plan and to discharge all such functions and responsibilities. The risk management framework entails formulation of a Risk Matrix to assign the likelihood of occurrence to the assigned risks along with definition of nature of risk viz. controllable, Uncontrollable & partly controllable, suggesting a mitigation mechanism and lead responsibility centre. The risk management policy has a defined Risk Organization Structure with Chief Risk Officer at the helm supported by Risk Controller along with Risk Managers and Risk Officers performing the line functions.	Without a risk management strategy, the company may be more susceptible to unforeseen risks, business disruptions and events. This could result in financial losses due to inadequate preparation or inability to respond effectively.



S. No.	Material Issue Identified	Indicate whether Risk or Opportunity	Rationale for identifying the risk/ opportunity	In case of Risk, approach to adapt or mitigate	Financial Implications of the risk or the opportunity
8.	Ethics and Transparency	Risk and Opportunity	Ethical conduct is the core of integral relationships for SJVN and underlies all organizational values. A diversified and skilled leadership team that provides strategic oversight with complete transparency and accountability is the driving force behind the Company's ardent promotion of ethical business practices among its workforce, business partners, and customers.	Provisions on ethics, anti-bribery, and anti-corruption (ABAC) are embedded in the Code of Ethics and Whistle Blower Policy. In house training programme are conducted in various units of SJVN on preventive vigilance from time to time. Similarly, the Company periodically conducts training sessions to build awareness on the Company's POSH Policy. The Code of Conduct for the Board of Directors and Senior Management has mentioned the Company's commitment towards a workplace free of discrimination and harassment. SJVN has a well-defined Integrity Pact to remove corruption and ensure transparency.	Lack of ethics and transparency can strain relationships with business partners, suppliers, and customers. If stakeholders perceive the company as engaging in unethical practices or lacking transparency, it can lead to strained partnerships, contract disputes, or lost business opportunities. The financial implications include potential contract terminations, increased procurement costs, or difficulty in securing new business partnerships.
9.	Regulatory Compliance	Risk and Opportunity	Regulatory compliance processes and strategies provide guidance for organizations as they strive to attain their business goals. By ensuring regulatory compliance, SJVN can demonstrate its commitment to responsible conduct, safeguard its operations, and maintain a positive reputation, thus securing its long-term sustainability.	The company has adequate internal control system, and the transactions/ processes are guided by delegation of powers, policies, rules, guidelines, and manuals framed in compliance with relevant laws and regulations. It includes evaluation of effectiveness of existing processes, controls, and compliances. As a listed company, SJVN has been complying with the requirements of Corporate Governance under the SEBI (LODR) Regulations and Guidelines issued by Department of Public Enterprises, Government of India. In this regard, SJVN has been constantly achieving "Excellent" rating for compliance with 'DPE Guidelines on Corporate Governance' under the 'Corporate Governance Grading System' prescribed by DPE. SJVN is also compliant with environmental laws where they operate. Regular environmental monitoring is done at SJVN projects and six-monthly compliance reports of Environment Clearance are sent to MoEF&CC and other concerned authorities.	Non-compliance can result in legal consequences such as fines, penalties, and legal actions. These legal repercussions can have a significant financial impact on the company, potentially affecting its profitability, reputation, and market standing.



Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies, and processes out in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9									
Policy and Management Processes																		
1. a. Whether your entity's policy/ policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes									
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes									
c. Web Link of the policies, if available	www.sjvn.nic.in																	
2. Whether the entity has translated the policy into procedures? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes									
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes									
4. Name of the national and international codes/ certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	BSCIC Certificate for ISO 90001 GRIHA Certified ISO 14001, 9001, and 18000 PCMM Level- 3																	
5. Specific commitments, goals, and targets set by the entity with defined timelines, if any.	This is installed capacity including RES share: By 2023, 5,000 MW																	
6. Performance of the entity against the specific commitments, goals, and targets along with reasons in case the same are not met.	By 2030, 25,000 MW By 2040, 50,000 MW																	
Governance, leadership, and oversight																		
7. Statement by the director responsible for the business responsibility report, highlighting ESG related challenges, targets, and achievements (listed entity has flexibility regarding the placement of this disclosure)																		
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)	Sh. Nand Lal Sharma Chairman and Managing Director																	
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/No). If "Yes", provide details	CSR, Sustainable Development, and R&D Committee oversee the sustainability activities of SJVN.																	
10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any Other- please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Board level committees namely, Audit Committee, Risk Management Committee, and CSR, Sustainable Development, and R&D Committee on annual basis review the performance of company's policies, performance, and design the sustainability ambition for the company.																	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	SJVN strongly believes in conducting business with ethics and integrity, thus it ensures cent percent compliance with all regulatory, statutory, and legal requirements and norms of the land, wherever it operates.																	



11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If “Yes”, provide name of the agency.									
	P1	P2	P3	P4	P5	P6	P7	P8	P9
	No	No	No	No	No	No	No	No	No

12. If Answer to Question (1) Above is “NO”, i.e., not all Principles are covered by a Policy, reasons to be stated:									
Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
The entity does not have the financial or human and technical resources available for the task (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
It is planned to be done in the next financial year (Yes/No)	NA	NA	NA	NA	NA	NA	NA	NA	NA
Any Other Reason (please specify)	NA	NA	NA	NA	NA	NA	NA	NA	NA

Section C: Principle Wise Performance Disclosure

Entity demonstrates their performance in integrating the Principles and Core Elements with key processes and decisions.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent, and Accountable

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year 2022- 23:			
Segment	Total number of training and awareness programs held	Topics/ Principles covered under training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	3	Pre-induction and Orientation programs were conducted for Independent Directors. Residential workshop on ‘Corporate Governance and Resilient Leadership’ was organized for Board Members.	64%
Key Managerial Personnel	41	Assessment Training and Development Centre- Behavioral Assessment, Drishti Conclave (II) 2022-Incredible SJVN @ 35, ISO 31000, and Features in Apex Risk Manual as part of Risk Management Consultancy Contract, Contract Management with reference to Dispute Resolution Mechanism, National Conference on ‘Pumped Storage (Hydro) Plants’ – Enabling Energy Transition, ‘Dam Safety Act- 2021 for Dam Safety Governance in India’, etc.	94%
Employees other than BoD and KMPs	147	Art of Managing People, Corporate Social Responsibility, Preventive Vigilance, Policy Compliance Workshop, ‘Dam Safety Act- 2021 for Dam Safety Governance in India’, National Ayush Conference (NAC)-2022 Theme: Work Life Balance Through Holistic Health, FDP on Solar and Wind Energy, FDP on Battery Storage, Green Hydrogen and New Energies, O&M of Thermal Power Plant and Visit to Thermal Power Plant, National Conference on ‘Preparedness on Disaster Prevention & Management, FDP on Operation & Maintenance of Thermal, Team Building and Leadership Development, Assessment Training and Development Centre- Behavioral Assessment, ARC GIS, Drishti - ‘Sharing the New Shared Vision’, Best practices in IT infrastructure, ERP and Cyber Security, etc.	82%
Workers	16	Workers Participation in Management, LIFESTYLE MANAGEMENT PRACTICES, Advance training in Food Production and F&B Services, Preventive Vigilance, ‘Mental Health Activities’, ‘Drishti’- Sharing the New Shared Vision, ENERGIZE #EmbraceEquity	50%

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format:
(Note: the entity shall make disclosures based on materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as discussed on the entity’s website)



Monetary					
	NGRBC Principle	Name of the Regulatory/ enforcement agencies/ judicial institutions	Amount (in INR.)	Brief of Case	Has an appeal been preferred? (yes/ No)
Penalty/ Fine					
Settlement					
Compounding Fee					

Non-Monetary					
	NGRBC Principle	Name of the Regulatory/ enforcement agencies/ judicial institutions	Amount (in INR.)	Brief of Case	Has an appeal been preferred? (yes/ No)
Imprisonment					
Punishment					

3. Of the instances disclosed in Question 2, above detail of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
In view of no case of non-compliance against SJVN, this question is not applicable.	

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide web-link to the policy.

Yes, it is part of the Code of Conduct of the Company.
The Code of Conduct is available at: <https://sjvn.nic.in/corporate-governance/60>

5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Directors	Nil	Nil
Key Managerial Personnel (KMPs)	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	Current Financial Year 2022- 23		Previous Financial Year 2021- 22	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	-	Nil	-

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

No corrective action was undertaken by SJVN as no case was registered on charges of bribery, corruption, or conflict of interest during the reporting period.

Leadership Indicators

1. Awareness programmes conducted for the value chain partners on any of the principles during the financial year 2022- 23:

Total number of awareness programmes held	Topics/ Principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
1	Training program related to MSME guidelines and benefits, GeM and statutory mechanisms: Annual Vendor Program	60%



2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No).

If “Yes”, provide details of the same.

The mechanism for disclosure of Conflict of Interest by Directors is contained in the “Code of Conduct for Board Members and Senior Management” approved by the Board.

All Board Members and Senior Management are required to subscribe to the said code on their appointment and further required to confirm adherence to the same on Annual basis. The Annual Report of the Company contains a declaration to this effect signed by the Chairman & Managing Director of the Company.

In addition, the Board Members also disclose their Interest on appointment as well as on Annual basis or specific agenda item of business during the Board / Committee Meetings as per the applicable provisions of Companies Act, 2013.

The relevant provisions are contained in clause 4.4 of Code of Conduct for Board Members and Senior Management with regards to disclosure of “Conflict of Interest” are reproduced as under:

Conflict of Interest: shall be scrupulous and use their prudent judgement to avoid all situations, decisions or relationships which give or could give rise to conflict of interest or appear to conflict with their responsibilities within the Company; Any situation that involves, or may reasonably be expected to involve, a conflict of interest with the Company shall be disclosed promptly to the Competent Authority.

- 1. Outside Directorships:** Unless specifically permitted by the Board shall not serve as Director of any other Company or be a Partner of a Firm or Management Position in any other entity that is engaged in a business competing with the Company or with which the Company has business relations. This clause is not applicable to Government/Nominee Directors. In case of Independent Directors, if the Board feels, it may refer the conflict of interest to the Government of India.

Senior Management Personnel shall obtain prior approval of the Chairman & Managing Director of the Company for accepting Directorship of any other Company or partnership of a firm/ Limited Liability Partnership or management position in any other entity.

The Functional Directors shall not accept any appointment or post, whether advisory or administrative, in any firm or company, whether Indian or Foreign, with which the Company has or had business relations, within one year from the date of retirement without prior approval of the Government.

- 2. Consultancy/ Business/ Outside employment:** Shall not engage in any activity that interferes with his performance or responsibilities to the Company and is prejudicial to its interests.
- 3. Business Interests:** While investing in the business of any competitor of the Company, they shall ensure that they use their prudent judgement to avoid all situations, decisions or relationships which give or could give rise to conflict of interest or appear to conflict with their responsibilities within the Company. These investments do not compromise their responsibilities towards the Company. Permission from the competent authority shall be obtained for investment in a company exceeding two percent of the capital of that company.
- 4. Corporate Opportunities:** Shall not exploit the information acquired or gained in his/ her official capacity for personal advantage or to the advantage of any third party detrimental to the interests of the company.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year 2022- 23	Previous Financial Year 2021-22	Details of improvements in environmental and social impacts
R&D	0.39%	0.13%	Innovative solutions for early warning, solar lights, building roofs for energy generation, latest energy efficient LED infrastructure, and setting up of pilot project on hydrogen generation at NJHPS location.
Capex	100%	100%	Capital investment in renewable energy projects (including hydroelectric, wind and solar) India.

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No).

b. If “Yes”, what percentage of inputs were sourced sustainability?

The company selects its suppliers or vendors through the GeM Portal (Government e-market) who pass the technical qualifications and capabilities, are compliant with all norms with certifications, competitive pricing, and incorporate sustainability & social responsibility in its business practices.



3. Describe the processes in place to safely reclaim your products for reusing, recycling, and disposing at the end of life for:

- a. Plastics (including packaging)
- b. E-waste
- c. Hazardous waste
- d. other waste

The company has buy-back policy for e-waste and battery waste with authorized vendor for safe disposal and appropriate recycle of the product, after it reaches its end of life.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No).

- If "Yes", whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Board?
- If "Not", provide steps taken to address the same.

Extended Producer Responsibility (EPR) is not applicable to SJVN.

Leadership Indicators

1. Has the entity conducted Life Cycle Perspective/ Assessment (LCA) for any of its products (for manufacturing industries) or for its services (for service industry)? If "Yes", provide details in the following format:

NIC Code	Name of product/ service	% of Total Turnover contributed	Boundary for which the Life cycle perspective/ assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If "Yes", provide web-link
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The company has not carried any life cycle assessment (LCA) for its products and services.

2. If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/ services, as identified in the Life Cycle Perspective/ Assessments (LCA) or through any other means, briefly describe the same along with action-taken to mitigate the same.

Name of Product/ Service	Description of the risk/ concern	Action Taken
The Impact Assessment study of Sunni Dam Hydro-electric Project (382 MW) Shimla and Mandi District, Himachal Pradesh was undertaken which highlighted the likely negative impacts such as loss of agricultural land and produce, forest habitat, disturbance to the fauna of the study area due to heavy construction activities, and pressure on existing provincial/ state road will increase. However, the positive outcomes outweighed the negative impacts such as annual generation of 1381.77 MU of energy with regular supply of power, employment opportunities to local population, benefit to economy & commerce, access to enhanced infrastructure facilities, compensatory afforestation, green belt development, and several other environmental developmental initiatives/ plans.		

3. Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	Current Financial Year 2022-23	Previous Financial Year 2021-22

Not applicable to SJVN business operations.

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not Applicable to SJVN					
E-Waste						
Hazardous Waste						
Other Waste						

5. Reclaimed products sand their packaging materials (as percentage of products sold) for each product category

Indicate Product Category	Reclaimed products and their packaging materials as % total products sold in respective category
Not Applicable	



Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of <u>Employees</u> :											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Employees											
Male	1,075	1,075	100%	1,075	100%	-	-	1,075	100%	<i>Available at locations</i>	
Female	147	147	100%	147	100%	147	100%	-	-		
Total	1,222	1,222	100%	1,222	100%	147	12%	1,075	88%		
Other than Permanent Employees											
Male	Not Applicable										
Female											
Total											

1. b. Details of measures for the well-being of <u>Workers</u> :											
Category	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent Workers											
Male	322	322	100%	322	100%	-	-	322	100%	<i>Available at locations</i>	
Female	28	28	100%	28	100%	28	100%	-	-		
Total	350	350	100%	350	100%	28	8%	322	92%		
Other than Permanent Workers											
Male	Not Applicable										
Female											
Total											

2. Details of retirement benefits, for Current FY 2022-23 and Previous FY 2021-22						
Benefits	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and Deposited with the authority (Yes/ No/ NA)	No. of employees covered as % of total employees	No. of workers covered as % of total workers	Deducted and Deposited with the authority (Yes/ No/ NA)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	Yes	100%	100%	Yes
ESI	0%	0%	NA	0%	0%	NA

Footnote: At SJVN, employees and extended workforce is covered under a comprehensive medical scheme (OPD as well as IPD) with unlimited coverage benefits and medical insurances, in lieu of ESI scheme.

3. Accessibility of Workplaces
Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If "Not", then whether any steps are being taken by the entity in this regard.
Yes, all premises and offices are accessible to differently abled employees and workers in accordance with Rights of Persons with Disabilities Act, 2016. We strongly promote equal opportunities for everyone, and we acknowledge the importance diversity, equity, and inclusion in work environment. SJVN ensures that the persons with disabilities enjoy the right to equality, life with dignity and respect for his or her integrity equally with others.



4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, please provide the web-link of the policy.

Yes, SJVN's "**Equal Opportunity Policy**" is in accordance with the provisions of The Rights of People with Disabilities Act, 2016 and Rights of People with Disabilities Rules, 2017 and Government guidelines for providing certain facilities for efficient performance at workplace. This policy is applicable to employees of SJVN with disabilities in all the three categories i.e., Workman, Supervisor & Executive including Deputations. This policy specifies aspects of employment, training, working conditions, transfers, employee benefits and career advancement etc. SJVN strives for creating and maintaining a non-discriminatory and inclusive work environment which ensures a robust career growth path for people with disabilities and for those who acquire disability during their employment tenure.

5. Return to work and Retention rates of permanent employees and workers that took parental leave for FY 2022- 23.

Gender	Permanent Employees		Permanent Workers	
	Return to Work Rate	Retention Rate	Return to Work Rate	Retention Rate
Male	100%	Nil	NA	NA
Female	100%	Nil	NA	NA
Total	100%	Nil	NA	NA

NA: Not Applicable

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If "Yes", give details of the mechanism in brief:

Permanent Workers	<p>At SJVN, we attempt to redress the complaints and grievances of our employees through well framed Grievance Redressal Machinery which ensures expeditious settlement of grievances within the stipulated time frame.</p> <p>The individual grievances of the employee are dealt through a three-stage process. In case the employee is not satisfied with the reply at Stage-I, the grievance can be escalated to Stage-II and Stage-III respectively.</p> <p>For fair and timely Redressal of the complaints, Corporate IR & Welfare section at corporate level and respective HR at Project level is designated department for processing of Grievances.</p> <p>Stage I: The aggrieved employee shall take up his/her grievance orally with his/her immediate superior (not below the rank of Dy. Manager) who shall give a personal hearing and try to resolve the grievance at his/her level within a period of 7 days. Wherever necessary, the officer concerned can consult the Head of department and/or such other departments before communicating back to the aggrieved employee. In case the employee is not satisfied, he/she can submit his grievance in writing in Annexure-1 to the Head of Department concerned or the Head of HR Department within 15 days from the date of receipt of oral reply from his immediate superior.</p> <p>Stage II: On the grievance submitted by an employee in Annexure-1 to the Head of Department/Head of HR Department, if the concerned Head of Department/Head of HR Department is not able to arrive at any satisfactory decision, he/she may refer the grievance to the Grievance Settlement Committee. The Committee will examine the details of the grievance and may also discuss the same with the aggrieved employee, if felt necessary. The Committee shall give its reply to the aggrieved employee within 30 days from the date of receipt of the grievance. However, where felt necessary by the Committee, it may make a recommendation for a final decision by Director (Personnel), who will convey his/her decision within 30 days from the date of receipt of grievance from the Committee.</p> <p>Stage III: In exceptional cases and with the concurrence of the Director concerned, the aggrieved employee who is not satisfied with the decision of Grievance Settlement Committee/ Director (Personnel) will have an option to appeal to Chairman & Managing Director.</p>
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	



7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:						
Category	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of Association(s) or Unions (B)	Percentage (%) (B/A)	Total employees/ workers in respective category (A)	No. of employees/ workers in respective category, who are part of Association(s) or Unions (B)	Percentage (%) (B/A)
Total Permanent Employees	1,222	1,222	100%	1,229	1,229	100%
- Male	1,075	1,075	100%	1,127	1,127	100%
- Female	147	147	100%	102	102	100%
Total Permanent Workers	350	350	100%	363	363	100%
- Male	322	322	100%	318	318	100%
- Female	28	28	100%	45	45	100%

8. (a). Details of training given to employees and workers on "Health and Safety Measures"						
Category	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
Employees						
Male	1,075	1,075	100%	1,127	1,127	100%
Female	147	147	100%	102	102	100%
Total	1,222	1,222	100%	1,229	1,229	100%
Workers						
Male	322	322	100%	318	318	100%
Female	28	28	100%	45	45	100%
Total	350	350	100%	363	363	100%

Footnote: Occupational health and safety training are provided at regular interval to the hydroelectric project (HEP) employees and workers. Safety drills such as fire drills are conducted at all offices at least twice a year and quarterly for HEP sites. Additionally drills on health measures are conducted at all the sites, periodically such as CPR, personal health, maternal health, work life balance etc.

(b). Details of training given to employees and workers on "Skill Upgradation"						
Category	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
Employees						
Male	1,075	935	87%	1,127	992	88%
Female	147	126	86%	102	66	65%
Total	1,222	1,061	87%	1,229	1,058	86%
Workers						
Male	322	150	47%	318	80	25%
Female	28	22	78%	45	12	27%
Total	350	172	49%	363	92	25%

Footnote: On site on job training provided to workers for enhancing operational efficiency and day-to-day activities. Several career development schemes have been implemented at SJVN for its employees and workers such as mentor-mentee scheme, higher-education scheme, and workmen education policy. SJVN trains about 250 apprentices every year, who are selected on merit basis through open advertisement.



9. Details of Performance and Career Development reviews of employees and workers:						
Category	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
Employees						
Male	1,075	1,075	100%	1,127	1,127	100%
Female	147	147	100%	102	102	100%
Total	1,222	1,222	100%	1,229	1,229	100%
Workers*						
Male	Not available					
Female						
Total						

*: Permanent workers are rated through ACR only which is mainly based on general parameters.

10. Health and Safety Management System:	
a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No) If “Yes”, then coverage of the system.	SJVN is ISO 45001:2018 certified and it has robust OHS system in place to ensure a safe, healthy, and conducive working environment for employees and workers. The OHS system at SJVN site comprises of effective OHS policy, procedure, hazard identification, risk assessment, incident reporting and management mechanism along with appropriate control measures to mitigate the risks and hazards. SJVN provides regular training, toolbox talk training, and mock drills to its employees and workers on safety related topics, including fire drills, to equip them with adequate knowledge to deal with situation in case of real situation. We have Safety Committee to oversee, monitor, and review the OHS policy, procedures, processes, and performance in at site locations through compliance of undertaking through external and internal audits.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis of the entity?	To identify work related hazards and risks, the company uses various tools such as Hazard Identification and Risk Analysis (HIRA) format, Incident and Accident Data analysis, Job Safety Analysis (JSA) or Job Hazard Analysis (JHA), and Hazard Reporting or Near Miss Reporting, to continuously monitor and review workplace related hazards and risks and timely manage the risks to specific work activities.
c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks? (Yes/No)	At SJVN site locations, we have safety working committee with representation from workmen, who meet on quarterly basis to review and take stock of all challenges and solutions that can be implemented to ensure a hazard free workplace. If any worker has any query or concerns, related to safety risk, they can share them during the Toolbox talk or other such events/ training sessions.
d. Do the employees/ workers of the entity have access to non-occupational medical and healthcare services? (Yes/No)	Yes, the employees and workers of SJVN are entitled to use the standard company policy for health check-ups and health services. In addition, at all sites, hospital facility with doctor, nurse, first aid facility, ambulance, and other medical services is available.

11. Details of safety related incidents, in the following format:			
Safety Incidents/ Number	Category	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
Number of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0



12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

At SJVN, health and safety of employees and workers is core to company's value, and it pays utmost importance to hazard and risk-free workplace. To ensure the same, there are various measures that are taken such as providing regular training and capacity building on health and safety practices, including fire drills, maintaining equipment safety and machine maintenance, always implementing safety protocols, regular health checkups and camps for workers and their families, providing PPEs for their safety during operations, ensuring periodic audits by internal and external auditors, safety inspections and safety inspector visits on a daily and monthly routine to review and monitor OHS procedures at ground. SJVN ensures compliances with relevant OHS laws, regulations, and industry standards to maintain a safe working environment and meet legal requirements.

13. Number of complaints on the following made by employees and workers:

	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Filed	Pending Resolution at end of year	Remark	Filed	Pending Resolution at end of year	Remark
Working Conditions	0	0	-	0	0	-
Health and Safety	0	0	-	0	0	-

14. Assessment for the Year (2022- 23):

	% of plants and offices that were assessed (By entity or statutory authorities or third party)
Health and Safety Practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risk/ concerns arising from assessment of health and safety practices and working conditions.

During the assessment, it was suggested to upgrade the automatic fire detection system, which the company complied with and initiated the process in its office and administrative block of Rampur site location.

Leadership Indicators

1. Does the entity extend any life insurance or compensatory package in the event of death of (A). Employees; and (B). Workers (Yes/ No). Provide detail.

Yes, SJVN is committed to employees and workers' well-being and security; as part of Human Resource Development, group life insurance is provided to all employees of the company, payable in the event of the death of an employee to the concerned nominee. An additional scheme for financial relief in the event of death/ permanent disablement is available, which is over and above those not covered as part of the group life insurance, to support the employees of SJVN.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

At SJVN, ethical business practices are strongly followed, and the contractor service providers are encouraged to adhere to the same. On a monthly basis, the service providers, submit their statutory compliance certificate along with the invoice to SJVN for review and processing.

3. Provide the number of employees/ workers having suffered high consequence work-related injury/ ill-health/ fatalities (as reported in Qs. 11 of Essential Indicators above), who have been/ are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total Number of affected employees/ workers		No. of employees/ workers that are rehabilitated or whose family member have been placed in suitable employment	
	FY 2022- 23	FY 2021- 22	FY 2022- 23	FY 2021- 22
Employees	0	0	0	0
Workers	0	0	0	0

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

At SJVN, we value our resources and on case-to-case basis, we retain few of our experienced manpower as consultants to utilize their domain expertise in business operations and strategy development.



5. Details on assessment of value chain partners (FY 2022- 23):	
	% of value chain partners (by value of business done with such partners) that were assessed
Health and Safety Practices	Nil
Working Conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the process for identifying key stakeholder groups of the entity.
<p>Recognizing the importance of stakeholder engagement aims to foster sustainable relationships. Engaging with stakeholders is crucial for understanding their perspectives, addressing their concerns, and aligning our business operations with stakeholder needs and aspirations. This commitment leads to enhanced cooperation, trust, and support for our company’s goals and here’s a breakdown of the stakeholders mentioned and how they can influence or can be impacted by our operations:</p> <ul style="list-style-type: none"> • Communities: in which our company operates can be directly impacted by our activities. Engaging with local communities allows us to understand their needs, minimize any negative impacts, and contribute positively to their well-being. • Employees: Engaging with employees is essential for fostering a positive work environment, promoting employee well-being, and ensuring their voices are heard. Engaged and satisfied employees contribute to the success of our company. • Supply Chain Partners: Engaging with them helps build strong relationships, ensures responsible sourcing practices, and promotes ethical and sustainable supply chain management. • Customers: Engaging with customers allows us to understand their preferences, feedback, and evolving needs. By incorporating their insights, we can improve our products or services, enhance customer satisfaction, and build customer loyalty. • Investors: Investors have a stake in our company’s financial performance and sustainability. Engaging with them helps build trust, provides transparency, and allows for effective communication about our company’s strategies, performance, and future roadmap. • Regulators: Regulatory bodies have the authority to establish and enforce rules and standards governing our industry. Engaging with regulators helps us stay compliant with regulations, understand emerging requirements, and build constructive relationships that can influence regulatory decisions.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.				
Stakeholder Group	Identified as Vulnerable or Marginalized Group (Yes/ No)	Channels of Communication	Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during each engagement
Investors Shareholders	No	Annual Report, Annual General Meeting, Board Meeting, Press Releases, Newsletter, etc.	Annually	Company’s performance on financial and non-financial parameters, including sustainability strategy, roadmap, and feedback on different themes.
Employees and Workers	No	Emails, Direct Communication, CMD Message, Samwad, Intranet	Continuously	Career development and growth, employee recognition & reward, employee well-being, ethics, culture & value, communication & feedback, diversity, equity, and inclusion, performance appraisal, and workplace health and safety
Value Chain Partners	No	Email, telephonic conversation, vendor meet, physical interactions	Need Based	Procurement orders, negotiations of terms and prices, quality and specifications, delivery schedule and logistics, payments and invoicing, contractual obligations, product development, ethical standards, business development, sustainable practices, and future-partnership opportunities



Communities	Yes	Meetings, local dialogues, emails, letters, telephonic conversations, VADC, etc.	Continuously	Engagement with the stakeholders starts with the moment any requests is received from the community, which is followed by its examination, implementation, execution, monitoring till completion of the project wherever applicable.
Implementing Partners	No	Field Visits, Monthly Reviews, telephonic conversations, regular meetings.	Continuously	Project design, implementation, need assessment, project review, monitoring and evaluation, community engagement, and feedback on program improvement, if any.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

At SJVN, stakeholder inclusiveness is of paramount importance and consultation with stakeholder is given due importance and weightage. Specific departmental representatives interact with stakeholder groups, seek feedback, comments, and opinions, which is then shared to their departmental heads. Through the Stakeholder Relationship Committee (SRC) both positive and negative feedback is communicated to the Board, as required and action is taken, as deemed appropriate.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topic? (Yes/No) If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Corporate Governance is core to SJVN business operations and stakeholder consultation plays a vital role in decision making, policy making, and setting strategies and activities for the company. Stakeholder inclusiveness and feedback is incorporated into company's activities, action plans, and appropriately into policies, as and when required.

3. Provide detail of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

SJVN is committed to the concerns of its stakeholders and strives to maintain good standards of Corporate Social Responsibility (CSR) and Sustainability in its business activities. To meet this commitment, SJVN respects the rule of law, local communities, and societies at large and will make conscious efforts to enhance the quality of life and environmental sustainability through its CSR and Sustainability programmes.

Power projects are in far reaches of isolated regions which are scarce in infrastructural facilities and where the populace is socio-economically backward. SJVN being a responsible corporate citizen strives to bring about overall positive impact on societies living in such regions. Besides, its CSR and Sustainability activities, SJVN will also cover a wide range of issues relevant to the larger society and of activities that could have a lasting impact. SJVN endeavors to leverage green technology, processes, and standards to produce goods and services that contribute to social and environmental sustainability. There are various CSR activities which are formulated considering the need of vulnerable/ marginalized people. Few of such CSR activities are as under:

- 14 Mobile medical Units under the name Sulej Sanjeevani Sewa catering to the health need of the people in the far-flung areas which deprived of basic health facilities.
- Skill development training to the local youth, skill development training to children of slum area.
- Training to farmers for doubling their income
- Financial assistance to BPL women for child-care under the name of "Women and Child Care Scheme"
- Health and Nutrition programs in Aspirational District Chamba, Himachal Pradesh

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Total (A)	Number (B)	Percentage (%) (B/A)	Total (C)	Number (D)	Percentage (%) (D/C)
Employees						
Permanent	1,222	1,222	100%	1,229	811	66%
Other than permanent	0	0	0%	0	0	0%
Total Employees	1,222	1,222	100%	1,229	811	66%



Workers						
Permanent	350	175	50%	363	145	40%
Other than permanent	0	0	0%	0	0	0%
Total Workers	350	175	50%	363	145	40%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	Current Financial Year 2022- 23					Previous Financial Year 2021- 22				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		Number (B)	% (B/A)	Number (C)	% (C/A)		Number (E)	% (E/D)	Number (F)	% (F/D)
Employees										
Permanent	1,222	-	-	1,222	100%	1,229	-	-	1,229	100%
- Male	1,075	-	-	1,075	100%	1,127	-	-	1,127	100%
- Female	147	-	-	147	100%	102	-	-	102	100%
Other than Permanent	0	-	-	0	0	0	-	-	0	0
- Male	0	-	-	0	0	0	-	-	0	0
- Female	0	-	-	0	0	0	-	-	0	0
Workers										
Permanent	350	-	-	350	100%	363	-	-	363	100%
- Male	322	-	-	322	100%	318	-	-	318	100%
- Female	28	-	-	28	100%	45	-	-	45	100%
Other than Permanent	0	-	-	0	0	0	-	-	0	0
- Male	0	-	-	0	0	0	-	-	0	0
- Female	0	-	-	0	0	0	-	-	0	0

3. Details of remuneration/ salary/ wages, in the following format for FY 2022- 23:

	Male		Female	
	Number	Median salary/ wage of respective category	Number	Median salary/ wage of respective category
Board of Directors (BoD)*	9	8,332,780	2	9,298,763
Key Managerial Personnel*	3	4,880,880	0	0
Employees other than BoD and KMP*	1,075	2,358,680	147	2,345,674
Workers*	322	1,368,038	28	1,208,582

Note: For remuneration calculation of Board of Directors, 'Executive Directors' have been considered. Non-Executive Director are not paid any remuneration, though Independent Directors are paid sitting fees only, which can be referred in the Annual Report.

*: For avoiding double accounting, 2 Key Managerial Personnel (KMPs) have been covered under the Board of Directors calculation.

*: The remuneration mentioned here is Annual Remuneration per person.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

At SJVN, the compliance of Human Rights issues is ensured at the Projects/Stations/Offices by their respective heads and at the Corporate Centre by Corporate HR (IR & Welfare Section). Any grievance with respect to violation of the Human Rights Policy of SJVN shall be reported to the Corporate HR. Internal Complaints Committee (ICC) is implemented across all locations and projects to oversee POSH policies, procedures, and address issues/concerns.



5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

SJVN attempts to redress the complaints and grievances of its employees through well framed Grievance Redressal Machinery which ensures expeditious settlement of grievances within the stipulated time frame. The individual grievances of the employee are dealt through a three-stage process. In case the employee is not satisfied with the reply at Stage-I, the grievance can be escalated to Stage-II and Stage-III respectively. For fair and timely Redressal of the complaints, Corporate IR & Welfare section at corporate level and respective HR at Project level is designated department for processing of Grievances.

For Public Grievance Redressal Mechanism:

SJVN has an effective system in place whereby the public have accessibility to appropriate authorities for redressal of their grievances. The centralized Public Grievance Redress and Monitoring system (CPGRAMS) has been effectively developed and monitored in SJVN for redressal of public grievances. The public information cells have been established at SJVN projects enabling access to public for putting forth their concerns/ grievances. SJVN has appointed Public Grievances Officer (PGO), who examines the public grievance in first stage and redresses the grievances online.

6. Number of complaints on the following made by employees and workers:

	Current Financial Year 2022- 23			Previous Financial Year 2021- 22		
	Filed during the year	Pending resolution at end of year	Remark	Filed during the year	Pending resolution at end of year	Remark
Sexual Harassment	Nil	Nil	-	Nil	Nil	-
Discrimination at workplace	Nil	Nil	-	Nil	Nil	-
Child Labour	Nil	Nil	-	Nil	Nil	-
Forced Labour/ Involuntary Labour	Nil	Nil	-	Nil	Nil	-
Wages	Nil	Nil	-	Nil	Nil	-
Other human rights related issues	Nil	Nil	-	Nil	Nil	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

At SJVN, we are committed to a safe and inclusive work environment, and strive to prevent harassment and discrimination, protect our employees from any form of harassment and discrimination, and foster a culture of respect and equality. SJVN values diversity, equal opportunity and rights of women and minorities; assistance to persons with disability. We comply with applicable labour and employment laws, wherever company operates and align our policies, processes, and activities in compliance to legal requirements. To achieve a harassment-free workplace, we have adopted various measures such as establishing strong policies, procedures, mechanisms, conducting regular behavior trainings, ensuring open communication, non-retaliation policy, incident reporting and prompt investigation mechanism, accountability and disciplinary action, and regular monitoring and reviewing of our policies and procedures by internal and external auditors to align with national and international requirements and standards, including best practices, globally.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, business contracts and Purchase Orders (PO) Terms and Conditions have clause that incorporate statement around business partners' compliance with all applicable regulations and laws of the land, in which they operate in, including human rights.

9. Assessment for the FY 2022- 23:

	% of plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	100%
Forced/ Involuntary Labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

Note: Internal assessments and statutory officer audits at projects sites.

10. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Qs. 9, above.

During the assessment, no significant risk was identified; SJVN adheres to all ethical business practices and complies with regulatory requirements.



Leadership Indicators

1. Details of a business process being modified/ introduced because of addressing human rights grievances/complaints.

At SJVN, Human Rights policy, practices, and processes are systematically streamlined and effectively implemented across all sites. A comprehensive policy is available which drives the company to uphold human right principles and address grievances as well as set out clear expectations from all its stakeholders, employees, workers, customers, and other business partners.

2. Details of the scope and coverage of any Human Rights due diligence conducted.

SJVN is committed to uphold the rights of human rights, individually or collectively, entitled to freedom and standards of treatment without discrimination. The company conducts internal assessment, however no formal due diligence has been carried out during the reporting year.

3. Is the premise/ office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, all premises and offices are accessible to differently abled employees and workers in accordance with Rights of Persons with Disabilities Act, 2016. We strongly promote equal opportunities for everyone, and we acknowledge the importance diversity, equity, and inclusion in work environment. SJVN ensures that the persons with disabilities enjoy the right to equality, life with dignity and respect for his or her integrity equally with others.

4. Details on assessment of Value Chain Partners:

	% of value chain partners (by value of business done with such partners) that were assessed:
Child Labour	Nil
Forced/ Involuntary Labour	Nil
Sexual harassment	Nil
Discrimination at workplace	Nil
Wages	Nil

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessment at Qs. 4 above.

As part of business contract and purchase order, compliance to all statutory norms is signed off from all our business partners, which is a mandatory practice at SJVN, however, no assessment has been conducted specifically pertaining to human rights issues for vendors.

Principle 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Total Energy Consumption (A)	116,514	102,033
Total Fuel Consumption (B)	1,950	2,047
Energy consumption through Other Sources (C)	920	892
Total Energy Consumption (A+B+C)	119,385	104,972
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	0.0000036	0.0000040

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency.



2. Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve, and Trade (PAT) Scheme of the Government of India? (Yes/No)

If “Yes”, disclose whether targets set under the PAT Scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

Not applicable to SJVN business.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Water withdrawal by source (in kilo-liters)		
(i). Surface Water	355,568	355,736
(ii). Groundwater	65,190	54,140
(iii). Third Party Water	13,211	14,877
(iv). Seawater/ Desalinated water	0	0
(v). Others (Please specify)	0	0
Total Volume of water withdrawal (in KL) (i + ii + iii + iv + v)	433,969	424,753
Total volume of water consumption (in KL)	433,969	424,753
Water intensity per rupee of turnover (water consumed/ turnover)	0.000013	0.000016

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If “Yes”, name the external agency.

4. Has the entity implemented a mechanism for Zero Liquid Discharge (ZLD)? If “Yes”, provide details of its coverage and implementation.

The company has sewage treatment plant (STP) in all its offices and site locations to ensure treatment of wastewater, the total installed capacity of all STPs together is appx. 1,090 KLD with tertiary level of treatment and the treated water is used within the premise largely.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
NOx			
SOx			
Particulate Matter (PM)			
Persistent organic pollutant (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutant (HAP)			
Others- please specify			

Not applicable to SJVN business.
All measures are taken to contain air pollution during construction phase.

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If “Yes”, name the external agency.

6. Please provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) and its intensity, in the following format:

Parameter	Please specify unit	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Total Scope 1 Emissions (Break-up of the GHG into CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, if available)	Metric tonnes of CO ₂ equivalent	144.88	152.07
Total Scope 2 Emissions (Break-up of the GHG into CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, NF₃, if available)	Metric tonnes of CO ₂ equivalent	22,100.32	20,058.26
Total Scope 1 and Scope 2 emissions per rupee of turnover		0.0000007	0.0000008

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If “Yes”, name the external agency.



7. Does the entity have any project related to reducing Greenhouse gas emissions? If “Yes”, then provide details.

At SJVN, various initiatives are taken to mitigate greenhouse gases as illustrated below:

- Tree plantation for green cover for enhancing forest cover.
- Solar plants within site locations for enhancing Renewable Energy (RE).
- Green belt development initiatives within site locations and near construction sites.
- Adopting energy efficient lighting and sensor-based lighting for energy saving and getting GRIHA certified for its building.
- The company has always endeavored to move towards hydro-electric generation which calls for GHG emission reduction pathways.

8. Provide details related to waste management by the entity, in the following format:

Parameter	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Total Waste Generated (in metric tonnes)		
Plastic Waste (A)	8.47	0.35
E-Waste (B)	1.99	0.71
Bio-medical Waste (C)	0	0
Construction and Demolition Waste (C&D) (D)	1,215	0
Battery Waste (E)	9.95	31.93
Radioactive Waste (F)	0	0
Other Hazardous Waste generated (G) <i>(Please specify, if any)</i>	14.18	34.31
Other Non-Hazardous Waste generated (H) <i>(Please specify, if any)</i>	55.95	55.95
Total Waste Generated (A+B+C+D+E+F+G+H)	1,305.54	123.26
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category Waste Name:		
(i). Recycled	11.89	28.63
(ii). Re-used	272.29	1.13
(iii). Other recovery operations	0	0
Total	284.18	29.76
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category Waste Name:		
(i). Incineration	0	0
(ii). Landfilling	1,001	56
(iii). Other disposal operations	20	38
Total	1,021	93

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If “Yes”, name the external agency.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

SJVN focuses on minimization waste at the source by implementing and adopting efficient technologies and solution, sorting out recyclable materials, organic waste, and hazardous waste to ensure proper waste disposal and recycle of recyclable waste materials. At SJVN, specific procedure and guidelines are laid down for proper handling and management of hazardous, chemical, and toxic waste, including storage, transportation, treatment, and disposal of such materials, ensuring compliance with regulatory norms and environmental standards.



10. If the entity has operations/ offices in & around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones, etc.) where environmental approvals/ clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Yes/No) If "No", the reasons thereof and corrective action taken, if any.
1.	Naitwar Mori, Hydro Electric Project, Uttarakhand	Under construction site	Yes (MoEFCC) 2016

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year 2022- 23:

Name and brief of the project	EIA Notification No.	Date	Whether conducted by independent agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web-link
Reoli Dugli Hydroelectric project, Himachal Pradesh	-	18 March 2021	Yes	Ongoing	Not Available
Purthi Hydroelectric Project, Himachal Pradesh	-	26 February 2021	Yes	Ongoing	Not Available
Bardang Hydroelectric Project, Himachal Pradesh	-	26 February 2021	Yes	Ongoing	Not Available
Sach Khas Hydro Electric Project, HPO	-	2 April 2022	Yes	Ongoing	Not Available

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act and Rules thereunder (Yes/ No). If "Not", provide details of all such non-compliances, in the following format:

S. No.	Specify the law/ regulation/ guidelines which is not compliant	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control board or by courts	Corrective action taken, if any
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The company adheres to all relevant regulations and standards; therefore, no case of non-compliance observed during the reporting period 2022- 23.

Leadership Indicators

1. Provide breakup of the total energy consumed (in Joules or multiples) from Renewable Energy and Non-Renewable sources, in the following format:

Parameter	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
From Renewable Sources		
Total electricity consumption (A)	920	892
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C)	920	892
From Non-Renewable Sources		
Total electricity consumption (D)	116,514	102,033
Total fuel consumption (E)	1,950	2,047
Energy consumption through other sources (F)	0	0
Total energy consumed from renewable sources (D+E+F)	118,464	104,080

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency.



2. Provide the following details related to water discharge:		
Parameter	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Water discharge by destination and level of treatment (in kilo-litres)		
(i). To Surface Water		
- No treatment		
- With treatment- <i>please specify level of treatment</i>		
(ii). To Ground Water		
- No treatment		
- With treatment- <i>please specify level of treatment</i>		
(iii). To Seawater		
- No treatment		
- With treatment- <i>please specify level of treatment</i>		Not Applicable
(iv). Sent to Third Parties		
- No treatment		
- With treatment- <i>please specify level of treatment</i>		
(v). Others		
- No treatment		
- With treatment- <i>please specify level of treatment</i>		
Total water discharged (in kilo-litres)		

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency.

3. Water withdrawal, consumption, and discharge in areas of 'Water Stress' (in kilo- litres):
For each facility/ plant located in areas of water stress, provide the following information:
i. Name of area
ii. Nature of operations
iii. Water withdrawal, consumption, and discharge in the following format:

Response: None of SJVVN 's site is in Water Stress zone as per CWGB Water Assessment Report, 2022. Therefore, the question is not applicable.

Parameter	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Water withdrawal by source (in Kilo litres)		
(i). Surface Water		
(ii). Ground Water		
(iii). Third Party Water		
(iv). Seawater/ Desalinated Water		
(v). Others		Not Applicable
Total volume of water withdrawal (in KL)		
Total volume of water consumption (in KL)		
Water intensity per rupee of turnover (water consumed/ turnover)		



Water discharge by destination and level of treatment (in Kilo litres)	
(i). To Surface Water	Not Applicable
- No treatment	
- With treatment- please specify level of treatment	
(ii). To Ground Water	
- No treatment	
- With treatment- please specify level of treatment	
(iii). Sent to Third Party Water	
- No treatment	
- With treatment- please specify level of treatment	
(iv). Into Seawater	
- No treatment	
- With treatment- please specify level of treatment	
(v). Others	
- No treatment	
- With treatment- please specify level of treatment	

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency.

4. Please provide details of total Scope 3 emissions and its intensity, in the following format:			
Parameter	Please specify unit	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Total Scope 3 Emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Currently the company is not tracking Scope- 3 emissions	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional)- the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Yes/No). If "Yes", name the external agency.

5. With respect to the ecologically sensitive areas reported in Qs. 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along with prevention and remediation activities.
Terrestrial construction activities do not have a significant impact on biodiversity and environment. Even though, biodiversity management plan has been developed and implemented by the state forestry department to mitigate any likely adversities.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/ effluent discharge/ waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:			
S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of the Initiative
1.	Training and Capacity Building	Promote environmental awareness among its employees, contractors, and suppliers and ensure that they have the training, knowledge, skills, resources, and equipment to meet the environmental commitments.	Generate information awareness to meet environmental awareness.
2.	Compensatory Afforestation	Plantation work over 256.2956 ha of degraded forest undertaken by State Forest Department of Himachal Pradesh by funding from SJVN under Compensatory Afforestation Management and Planning Authority (CAMPA). More than 20,000 plants of selected species like Hibiscus, Bottle brush, Alstonia, Tecoma, etc., were planted by SJVN at various locations in Jhakri, Kotla, and Nathpa.	Afforestation of the degraded forest land and development of flora and fauna.



3.	Disposal of Muck and Restoration of Dumping Sites	During tunnel construction (and underground work) inevitably huge quantities of excavated material, known as muck, is generated. Those, if not managed properly, can lead to dust pollution, and degrade water quality. At our sites, we reuse the muck (in backfilling, construction material, etc.) and safely dispose it off at authorized disposal sites.	Cumulatively, 680,45,79 m ³ of muck was generated, of which 997,852 m ³ was reused and 580,67,27 m ³ was safely disposed at dumping area.
4.	Energy Conservation Initiatives	Installation of occupancy sensors in the office buildings, intelligent lighting system and alternate phase switching system has been installed at powerhouse complex of the project. Energy efficient hot blowers have been provided in each office room of the complex in place of conventional type of heaters to save energy.	Conservation of energy
5.	Solar power initiatives	Off-grid solar power plants at sites, LPD solar heaters installed at office buildings, independent Solar LED light at Jhakri & Nathpa location, and electric vehicle charger installed at NJHPS office complex to charge electric vehicles of projects, both private and hired.	Moving towards renewable energy and e-mobility.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web-link.

SJVN has a 'Crisis & Disaster Management Plan (CDMP)' with a vision to decrease the losses significantly by maximizing the ability at administration and the field level to cope with any crisis situations that may arise in the power plant.

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No significant risk identified in the value chain activities of SJVN .

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

Nil.

Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. (a). Number of affiliations with trade and industry chambers/ associations.

10

(b). List the top 10 trade and industry chambers/ associations (determined based on the total numbers of such body the entity is member of/ affiliated to.

S. No.	Name the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1.	CIGRE (International Council on Large Electric Systems)	National
2.	CBIP (Central Board of Irrigation and Power)	National
3.	ISRM TT (Indian Society for Rock Mechanics and Tunnelling Technology)	National
4.	SCOPE (Standing Conference of Public Enterprises), Central Government Public Enterprises	National
5.	HPPF (HP Power Producer's Forum)	National
6.	Tunneling Association of India	National
7.	ASSOCHAM	National
8.	Power HR Forum	National
9.	INCOLD (International Conference on Large Dams)	National
10.	Power Foundation	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the Case	Corrective action taken
No case was registered on anti-competitive conduct, therefore not applicable.		



Leadership Indicators

1. Details of public policy positions advocated by the entity:					
S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain (Yes/No)	Frequency of Review by Board	Web Link, if available
SJVN engages with various prominent fora to drive appropriate policy advocacy and influence in the hydro and renewable energy sector, through necessary policy amendments/ schemes/ programs/ etc.					

Principle 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) projects undertaken by the entity based on applicable laws:					
Name and brief detail of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/ No)	Results communicated in public domain (Yes/No)	Relevant web-link
SDHEP	MPP-(5)-8/2018	07.01.2019	Yes	Yes	https://rajpatrahimachal.nic.in/searchN.aspx
LHEP-1	-	2018-19	Yes	No	-
DSHEP	-	-	No	No	-
JSHEP	-	-	No	No	-
NMHEP	-	-	No	No	-
STPL	-	-	No	No	-
RHPS	-	-	No	No	-
NJHPS	-	-	No	No	-

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of the project for which R&R is ongoing	State	District	No. of project affected families (PAFs)	%of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR.)
1.	Nathpa Jhakri Hydro Power Station (NJHPS)	Himachal Pradesh (HP)	Shimla & Kinnaur	480	100%	1,842,042
2.	Rampur HPS	Himachal Pradesh (HP)	Kullu	139	100%	6,92,220
3.	NMHEP	Uttarakhand	Uttarakashi	94	100%	Land compensation & R&R financial compensation paid prior to FY 22- 23.
4.	Jakhol Sanri Hydro Electric Project (44MW), Mori District	Uttarakhand	Uttarakashi	246	NA	R&R plan has been approved by Uttarakhand Govt on 15.06.2021 but yet to be implemented.
5.	DSHEP	Himachal Pradesh (HP)	HAMIRPUR	5	NA	R&R implementation is yet to be started. Compensation of beneficiary being finalized by government.
6.	LHEP-1	Himachal Pradesh (HP)	Shimla	1,102	100%	15 crore was deposited in year 2021
7.	SDHEP	Himachal Pradesh (HP)	Shimla	NA	NA	R&R Plan yet to be implemented

3. Describe the mechanisms to receive and redress grievances of the community.

The company's CSR vision "*is to make people and earth partners in our growth*" and we pledge to fulfill our social commitments and share our growth in a meaningful manner with the society. To achieve the above said vision, company's CSR programs are developed to address the immediate needs and aspirations of the community, by implementing community development initiatives at large. To resolve grievances and concerns, the company has an independent CSR Cell, which encourages open communication between community members, NGO partners, CSR team, and other involved stakeholders. In addition, as part of CSR program, Village level Committees are established which regularly interacts with communities to identify their needs, concerns, and issues, and address them in a timely and effective manner.



4. Percentage of input material (input to total inputs by value) sourced from suppliers:		
	Current Financial Year 2022- 23	Previous Financial Year 2021- 22
Directly sourced from MSMEs/ Small producers	48%	51%
Sourced directly from within the district and neighboring districts	SJVN procures goods and services from PAN India	

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference Qs. 1 of Essential Indicators, above).	
Details of negative social impact identified	Corrective action taken
SJVN conducted SIA to evaluate the potential positive and negative effects of the project on the society and accordingly developed and implemented various mitigation or corrective measures like relocation of residences, livelihood opportunities, employments, medical facilities, and other community development supports.	

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:			
S. No.	State	Aspirational District	Amount Spent (in INR.)
1.	Himachal Pradesh	Chamba	10,073,360

The expenditure was made through CSR funding in health and nutrition program

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized/ vulnerable groups? (Yes/No)
Due diligence is given to SC/ST and women entrepreneurs in procurement of goods and services, over and above the extent prescribed under Government of India's notifications/ policies.
(b) From which marginalized/ vulnerable groups do you procure?
Scheduled Caste (SC) and Scheduled Tribe (ST) and Women.
(c) What percentage of total procurement (by value) does it constitute?
For Financial Year 2022- 23:
<ul style="list-style-type: none"> SC/ ST: 2% Women: 5%

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year 2022- 23), based on traditional knowledge:				
S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit Shared (Yes/ No)	Basis of calculating benefit share
Not applicable to SJVN.				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.		
Name of authority	Brief of Case	Corrective action taken
Not Applicable.		

6. Details of beneficiaries of CSR Projects:			
S. No.	CSR Project	No. of persons benefited from CSR Projects	% beneficiaries from vulnerable & marginalized groups
1. Healthcare Projects:			
a.	Mobile Medical Unit (MMUs) in project areas and CHQ through HelpAge and other agencies and organizing medical health camps.	157,739	100%
b.	Ayurvedic health camps, Specialized and multi specialized health camps etc.	More than 75,000	100%
c.	Dental Clinic and Physiotherapy Centre etc.	6,500	100%



d.	Other welfare projects for setting up of health institutes, healthcare / hygiene, and sanitation projects.	Community at large	100%
e.	Maternal health including support under existing women and child welfare schemes, other nutrition programs etc.	30 beneficiaries	100%
f.	Contribution to central funds such as PM CARES fund, Health, and Nutrition Programs etc.	Pan India	100%
2	Sanitation Projects:		
a.	Maintenance of more than 3000 toilets constructed by SJVN under Swachh Vidyalaya Abhiyan (SVA)	Community at large	100%
b.	Construction of new toilets including toilets for Divyangjans, installation of bio-toilets at public places like schools, hospitals, markets etc.	Community at large	100%
c.	Activities related to implementation of Swachhta Action Plan, Swachhta-Hi-Sewa, cleanliness drives, distribution of cleanliness related items, awareness campaign, Solid Waste Treatment Plant etc.	Community at large	100%
d.	Installation of sanitary pad manufacturing units	Community at large	100%
3	Education and Skill Development		
a.	Nomination of project affected youths in Govt ITIs and Polytechnic	More than 80	100%
b.	Providing scholarship to students under SJVN Silver Jubilee merit scholarship Scheme @ ₹ 24000 per candidate+ other expenses and other scholarship schemes of SJVN	More than 500	100%
c.	Skill development programs in association with NSDC/ other agencies	More than 500	100%
d.	Horticulture, Agriculture and Vetrenary trainings and awareness program to 1600 farmers (CPSE conclave), Soil testing facility to the local farmers etc.	More than 250	100%
e.	Financial support to educational institutes like special school at Dhalli, HPNLU, Sainik School, Munderi Kanuur (Kerla), Khari Gompa Kinnaur, Hostel Ponda, DAV Duttanagar, furniture to school DSHEP etc.	Community at large	100%
f.	Financial support for implementing horticulture-based livelihood project in Gram Panchayats (Bari and Taranda) of district of Kinnaur (HP) under NJHPS project affected area through HARP in association with NABARD	Community at large	100%
g.	Support to Startups	Community at large	
4	Empowerment of Vulnerable section of Society		
a.	Creation of assets for the senior citizens, children, old-aged home at Palampur and other sections of society.	Community at large	100%
b.	Women empowerment, girl empowerment mission program etc.	Community at large	100%
5	Sustainable Development		
a.	Support for construction of Gau Sadans in and around project areas as per the scheme, other welfare measures for animals etc.	Community at large	100%
b.	Projects on water conservation, natural resources, rehabilitation of water bodies in and around project area villages & construction of Multipurpose Medium Height Check Dams in HP, Irrigation scheme of project area etc.	Community at large	100%
c.	Energy Conservation program initiated by BEE, MOP for School Children.	Community at large	100%
d.	Installation of Solar Lights through EESL in HP and installation of Solar Lights / High Mast Lights through other agencies in project areas etc.	Community at large	100%
	Other environment related projects such as Development to Biodiversity-park at Shanan etc.	Community at large	100%
6	Preservation and Promotion of Culture, heritage, and iconic places		
a.	Development of Four Cultural Heritage Sites in HP (Sapni Fort, Sangla (NJHPS), Chitkul Devi Temple (NJHPS), Shri Parshuram Temple, Nirmand (RHPS) and Kalka-Shimla Railway Heritage (CHQ).	Community at large	
b.	Support to other cultural heritage places like Yatri Sadan Churdhar, Tata Pani, Laxminarayan, Maharudra and other project area etc.	Community at large	
c.	Development of Shree Badrinath Town as Spiritual Smart Hill Town.	Community at large	



d.	Preservation and promotion of culture, support to other cultural events.	Community at large	
7.	Measures for the benefits of the armed forces veterans, war widows and their dependents.		
a.	Projects on measures for the benefits of the armed forces veterans, war widows and their dependents etc.	75	100%
8.	Training to promote rural sports, nationally recognized sports, Paralympic sports, and Olympic sports		
a.	Projects on training to promote rural sports, nationally recognized sports, Paralympic sports, and Olympic sports etc.	Community at large	100%
9.	Rural development projects-Infrastructural development and Communities Assets Creation		
a.	Construction of community assets in and around project area, CHQ and other project areas	Community at large	100%
10.	Disaster Management including relief, rehabilitation, and reconstruction activities		
a.	Assistance to the victims of natural disasters/ calamities/ contributions towards State Disaster Relief Funds/ Covid-19 etc.	Community at large	100%
11.	National theme-based CSR Activities in Aspirational district, Chamba, Himachal Pradesh		
a.	Healthcare / Nutrition / Educational Projects and any other project in Aspirational district Chamba (Himachal Pradesh)	Community at large	100%

Principle 9: Business should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

At Central level, we have CERC which resolves the regulatory issues of DISCOMs. Specific states have their regulatory SERCs, through which grievances are registered and resolved in a timely and effective manner. At SJVN, we have a standard customer grievance redressal guideline to resolve any complaint/ dispute.

2. Turnover of products and/services as a percentage of turnover from all products/services that carry information about:

	As percentage to total turnover
Environmental and social parameters relevant to the product	<i>Not applicable to SJVN business</i>
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	Current Financial Year 2022- 23		Remarks	Previous Financial Year 2021- 22		Remarks
	Received	Pending at end of year		Received	Pending at end of year	
Data Privacy	Nil	Nil	-	Nil	Nil	-
Advertising	Nil	Nil	-	Nil	Nil	-
Cyber-security	Nil	Nil	-	Nil	Nil	-
Delivery of essential services	Nil	Nil	-	Nil	Nil	-
Restrictive Trade Practices	Nil	Nil	-	Nil	Nil	-
Customer Complaints	Nil	Nil	-	Nil	Nil	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary Recalls	Nil	Not applicable
Forced Recalls	Nil	Not applicable



**5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No).
If available, provide a web-link of the policy.**

At SJVN, we have an internal IT Policy which covers important aspects of IT usage in three sections namely,

- i) IT Policy for End User
- ii) IT Policy for IT Departments
- iii) Asset Control Policy

The policy envisages a roadmap for the major activities that needs to be conducted at to make the relevant information available in public domain.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services, cyber security, and data privacy of customers; re-occurrence of instances of product recalls, penalty/ action taken by regulatory authorities on safety of products/ services.

Not applicable to SJVN.

Leadership Indicators

1. Channels/ platforms where information on products and services of the entity can be accessed (provide web link, if possible)

Information about our product and services can be accessed through our company website, annual reports, other reports/ disclosures, newsletters, media communications, and our business partners.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/ or services.

At each site location of SJVN, SOPs and guidelines are available with sequence wise detailing on installation and process safety controls. Quality Assurance Plan for each equipment, including checkpoints, technical features, do's and don'ts along with customer manuals are shared with the customer to ensure safety and responsible usage of the product at all stages.

3. Mechanism in place to inform consumers of any risk of disruption/ discontinuation of essential services.

SJVN informs the NRLDC about any unforeseen or sudden outage and then the schedule is revised by them, which in turn is informed to all states that receive services from SJVN about the disruption and the effective mitigation/ remedial action plan being put-in place for smooth operations.

In case a planned or forced outage occurs due to machinery failure, stoppage in functions, repair, and maintenance work, then prior notice with a remedial action along with operational recovery time is communicated with NRLDC to ensure no or low risk of disruption in services.

4. a. Does the entity display product information on the product over and above what is mandated as per the local laws? (Yes/ No/ Not Applicable).

If "Yes", provide details in brief.

b. Did your entity carry out any survey about customer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/ No).

a. Not applicable to SJVN business.

b. Customer Satisfaction Index (CSI) is annually conducted by SJVN to gauge the satisfaction level of its customer, identify their needs and aspirations, and feedback for areas of improvement. The survey comprises four parameters like timely delivery, effectiveness, pricing, and customer management to gauge customer's feedback and suggestions.

In FY 2022-23, SJVN's CSI was more than 90%.

5. Provide the following information relating to data breaches:

(a). Number of instances of data breaches along-with impact:

Nil

(b). Percentage of data breaches involving personally identifiable information of customers.

Nil

For and on behalf of Board of Directors

(Nand Lal Sharma)

Chairman and Managing Director

DIN: 03495554

Date: 9th August, 2023

Place: New Delhi



Annexure – VII

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SJVN Limited having CIN L40101HP1988GOI008409 and having registered office at SJVN Corporate Office Complex, Shanan, Shimla–171006, Himachal Pradesh (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.N.	NAME	DIN	DATE OF APPOINTMENT IN COMPANY
1	Sh. Nand Lal Sharma	03495554	22-03-2011
2	Mrs. Geeta Kapur	08213642	18-10-2018
3	Sh. Surinder Pal Bansal#	07239609	01-04-2019
4	Sh. Akhileshwar Singh	08627576	06-01-2020
5	*Sh. Madhav Rajendran Raghuraj	07772370	13-09-2021
6	**Sh. Ram Dass Dhiman	01687377	22-06-2021
7	Smt. Udeeta Tyagi	05101501	08-11-2021
8	Sh. Saroj Ranjan Sinha	01478184	08-11-2021
9	Sh. Sushil Sharma	08776440	01-08-2020
10	Sh. Danveer Singh Yadav	09391688	09-11-2021
11	Sh. Rajeev Sharma	06929504	21-02-2023
12	Sh. Shashikant Jagannath Wani	09485642	13-03-2023
13	Sh. Ajay Tewari	09633300	01-12-2022

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

*Ceased to be a Director w.e.f. 30-11-2022

**ceased to be a Director w.e.f. 31-12-2022

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

For SGS ASSOCIATES LLP
Firm Regn. No. L2021DE011600
Company Secretaries

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

ICSI UDIN No. F002411E000474401
ICSI PR No. 1194/2021

Date: 9th June, 2023
Place: New Delhi

FORM NO. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
SJVN Limited,
(CIN: L40101HP1988GOI008409)
SJVN CORPORATE OFFICE COMPLEX
SHANAN, SHIMLA,
HIMACHAL PRADESH - 171006

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SJVN Limited (CIN: L40101HP1988GOI008409) (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March, 2023 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable as the Company has not issued any securities);**
 - (iv) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(Not Applicable as the Company has not issued any securities to Employees during the financial year);**
 - (v) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable as the Company has not issued any non-convertible securities during the financial year);**
 - (vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 **(Not Applicable as the Company has not de-listed its securities during the Financial Year);** and
 - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(Not Applicable as the Company has not bought back any security during the Financial Year);**
- (vi) Other laws applicable specifically to the Company viz.
 - a. The Electricity Act, 2003;
 - b. National Tariff Policy.

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



the Company are being verified on the basis of certificates submitted to the Board of Directors of the Company.

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

- (a) Secretarial Standards viz. SS-1 & SS-2 issued by The Institute of Company Secretaries of India;
- (b) The Listing Agreements read with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 entered into by the Company with the Stock Exchanges;
- (c) Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSE) as issued by Department of Public Enterprises, Ministry of Finance, Government of India.

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

- (a) The Composition of the Board of Directors of the Company is not duly constituted with optimum combination of Executive and Non-Executive Independent Directors of the company as required under Regulation 17(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 3.1.4 of Guidelines on Corporate Governance for CPSE issued by Department of Public Enterprises, Ministry of Finance, Government of India.

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

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

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

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

I further report that during the period under review, the Company has not taken any decisions which have major bearing on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Date: 14th July, 2023
Place: Ghaziabad

For Santosh Kumar Pradhan
(Company Secretaries)

Santosh Kumar Pradhan
(Proprietor)

M. No. FCS-6973

C.P. No. 7647

P.R.C. No. 1388/2021

UDIN: F006973E000609905

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.



'ANNEXURE A'

To
The Members,
SJVN Limited,
(CIN: L40101HP1988GOI008409)
SJVN CORPORATE OFFICE COMPLEX SHANAN,
SHIMLA, HIMACHAL PRADESH - 171006

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

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

For Santosh Kumar Pradhan
(Company Secretaries)

Santosh Kumar Pradhan
(Proprietor)

M. No. FCS-6973

C.P. No. 7647

P.R.C. No. 1388/2021

UDIN: F006973E000609905

Date: 14th July, 2023
Place: Ghaziabad

Annexure – IX

Board's Reply to Observation of Secretarial Auditor

Sr. No.	Observation of Secretarial Auditor	Board's Reply
1.	The Composition of the Board of Directors of the Company is not duly constituted with optimum combination of Executive and Non-Executive Independent Directors of the company as required under Regulation 17(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 3.1.4 of Guidelines on Corporate Governance for CPSE issued by Department of Public Enterprises, Ministry of Finance, Government of India.	SJVN is a Central Public Sector Undertaking (CPSU) and as per Articles of Association of the Company, Powers to appoint Directors vests with President of India (acting through Ministry of Power). The Company or its Board is not vested with any powers in the matter and hence the matter is being followed up rigorously with the Administrative Ministry of Government of India i.e. Ministry of Power.

For and on behalf of Board of Directors

(Nand Lal Sharma)

Chairman and Managing Director

DIN: 03495554

Date: 9th August, 2023
Place: New Delhi



INDEPENDENT AUDITOR'S REPORT

To The Members of SJVN Limited Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of SJVN Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity, Statement of Cash Flows for the year then ended, and Notes to the financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India and Indian Accounting Standards prescribed under section 133 of the Act read with companies (Indian Accounting Standard) Rules 2015, as amended, (Ind AS) and other accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at March 31, 2023 and its profit (financial performance including Other Comprehensive Income), Change in Equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter:

We draw attention to the following matters:

- a. Note No. 2.2 (a) with respect to the Devasari Hydro Electric Project which has been put on hold as per directions of Ministry of Power, GOI dated July 6, 2021.
- b. Note No. 2.5 and 2.33 to the standalone financial statements which describes the Other Income includes ₹ 11428 Lacs towards gain on transfer of entire shareholding from Kholongchhu Hydro Energy Limited (KHEL), joint venture company to another shareholder, Druk Green Power Corporation (DGPC), Bhutan.
- c. Note No. 2.15 to standalone financial statements regarding transfer of under construction renewable energy projects to wholly owned subsidiary i.e. SJVN Green Energy Limited (SGEL) at book value through Business Transfer Agreement (BTA).
- d. Note No. 2.64 with respect to imposition of Water Cess by Govt. of Himachal Pradesh vide notification dated 16.02.2023 on the generation of electricity in Himachal Pradesh. The company has filed writ petition against the said notification with the Hon'ble High Court of Himachal Pradesh.
- e. Note No. 2.57 to the standalone financial statements regarding certain balances which are subject to reconciliation / confirmation and consequential adjustments.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For each matter below, description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	<p>Contingent Liabilities and provisions:</p> <p>There are number of litigations pending before various forums against the company and the management's judgement is required for estimating the amount to be disclosed as contingent liability and for creating the adequate amount of provision, wherever required.</p> <p>We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgement in interpreting the cases and it may be subject to management bias.</p> <p>(Refer Note No. 2.50 to the Standalone Financial Statements, read with the Accounting Policy No. 1.18)</p>	<p>We have obtained an understanding of the company's internal instructions and procedures in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures:-</p> <ul style="list-style-type: none"> - understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases; - discussed with the management any material developments and latest status of legal matters; - examined management's judgements and assessments whether provisions are required; - considered the management assessments of those matters that are not disclosed as the probability of material outflow is considered to be remote; - reviewed the adequacy and completeness of disclosures; <p>Based on the above procedures performed, the estimation and disclosures of contingent liabilities and creation of provisions are considered to be adequate and reasonable.</p>



2	<p>Property, Plant & Equipment: There are areas where management judgement impacts the carrying value of property plant and equipment and their respective depreciation rates. These include the decision to capitalize or expense costs; the annual asset life review; the timeliness of the capitalisation of assets and the use of management assumptions and estimates for the determination or the measurement and recognition criteria for assets retired from active use. Due to the materiality in the context of the balance sheet of the Company and the level of judgement and estimates required, we consider this to be as area of significance. (Refer Note No. 2.1 to the Standalone Financial Statements, read with the Significant Accounting Policy No. 1.3)</p>	<p>We assessed the controls in place over the fixed asset cycle, evaluated the appropriateness of capitalisation process Performed tests of details on costs capitalised, the timeliness and accuracy of the capitalisation of the assets and the de-recognition criteria for assets retired from active use. In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of asset lives applied in the calculation of depreciation; the useful lives of assets prescribed in schedule II of the Companies Act, 2013 and the useful lives of certain assets as per the technical assessment of the management.</p> <p>We have observed that the management has regularly reviewed the aforesaid judgements and there are no material deficiencies in measurement and recognition of property, plant and equipment.</p>	<p>4 Deferred Tax Asset relating to MAT Credit Entitlement: The company has recognised deferred tax asset relating to MAT credit entitlement during the year. Utilization of MAT credit will result in lower outflow of Income Tax in future years. The recoverability of this deferred tax asset relating to MAT credit entitlement is dependent upon the generation of sufficient future taxable profits to utilise such entitlement within the stipulated period prescribed under the Income Tax Act, 1961. We identified this as a key audit matter because due to use of management estimate in forecasting future taxable profits for recognition of MAT credit entitlement considering the recoverability of such tax credits within allowed time frame as per the provisions of the Income Tax Act, 1961. (Refer Note No. 2.42 to the Standalone Financial Statements, read with the Significant Accounting Policy No. 1.22)</p>	<p>We have obtained an understanding for recognition of deferred tax asset relating to MAT credit entitlement. We have reviewed the estimate of management regarding future taxable profits and reasonableness of the considerations /assumptions used for the same.</p> <p>Based on the above procedures performed, the recognition and measurement of Deferred tax asset relating to MAT credit entitlement are considered adequate and reasonable.</p>
3	<p>Capital work-in-progress (CWIP): The company is involved in various capital works like construction of new power projects, installation of new plant and machinery, civil works etc. These projects/works take a substantial period of time to get ready for intended use and due to their materiality in the context of the balance sheet of the Company, this is considered to be an area which had the significant effect on the overall audit strategy and allocation of resources in planning and completing our audit. (Refer Note No. 2.2 to the Standalone Financial Statements, read with the Significant Accounting Policy No. 1.4)</p>	<p>We performed an understanding and evaluation of the system of internal control over the capital work-in-progress, with reference to identification and testing of key controls.</p> <p>when it is ready for the intended use.</p> <p>We assessed the progress of the project and the intention and ability of the management to carry forward and bring the asset to its state of intended use.</p> <p>We assessed the timeliness and accuracy of capitalisation of assets when it is ready for the intended use.</p>	<p>Information Other than the Standalone Financial Statements and Auditor's Report Thereon</p> <p>The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.</p> <p>The Other information is expected to be made available to us after the date of this auditor's report.</p> <p>Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion hereon.</p> <p>In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.</p> <p>If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.</p> <p>When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions, if required.</p> <p>Responsibility of Management and Those Charged with Governance for the Standalone Financial Statements</p> <p>The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position,</p>	



financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the

related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(5) of the Act, for the additional directions under the Companies Act' 2013, we have annexed "Annexure B" to this report for the additional direction under section 143(5) of the Companies Act' 2013 as issued by the Comptroller and Auditor General of India.
3. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of cash flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.



- e) In view of exemptions given vide Notification No. G.S.R. 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, the provisions of Section 164 (2) of the Companies Act, 2013 regarding disqualification of directors are not applicable to the company.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, kindly refer to our separate report in **Annexure "C"**
- g) As per Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, the provisions of Section 197 of the Companies Act, 2013 is not applicable to the Government Companies. Accordingly, reporting in accordance with requirements of provisions of section 197(16) of the act is not applicable on the company.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note No. 2.50 to the standalone financial statements;
 - ii. The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
 - iii. There has been no delay in transferring amounts which were required to be transferred to Investor Education and Protection Fund by the company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
- (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
- (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the above representations given by the management contain any material mis-statement.
- v. The dividend declared or paid during the year by the company is in compliance of section 123 of the Act.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For APT & Co LLP
Chartered Accountants
FRN: 014621C/N500088

(Nimish Kumar Sharma)
Partner

Membership No 514914
UDIN: 23514914BGZCAN1255

Date: 22nd May, 2023
Place: Shimla

Annexure-A to the Independent Auditor's Report

(Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of **"SJVN Limited"** for the year ended March 31, 2023)

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment (PPE) and non-current assets held for sale.
- (B) The Company has maintained proper records showing full particulars of Intangible Assets.
- (b) As per information and explanation provided to us and on the basis of our examination of the records of the Company, the company has a regular program of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner. In accordance with this program, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification. However, Movable PPEs are not marked with distinctive numbers.
- (c) As per information and explanation provided to us and on the basis of our examination of the records of the Company, the title deeds of Immovable properties (other than immovable properties where the company is the lessee and the lease agreement are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the company except the followings:



Description of Property	Gross Carrying Value as at 31.03.2023 (Rs. in Lacs)	Held in the name of	Whether promoter, director or their relative or employee	Period Held since which date	Reason for not being held in name of company
Building-Freehold	5*	HPSEB Limited	-	01.08.1991	Transferor has not executed the conveyance deed.

*Original Cost of the property ₹ 15 Lacs.

- d) As per information and explanation provided to us and on the basis of our examination of the records of the Company, the company has not revalued its Property, Plant and Equipment (including Right-of-Use assets) or intangible assets or both during the year.
- e) As per information and explanation provided to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. a) As per information and explanation provided to us and on the basis of our examination of the records of the Company, the physical verification of inventory is carried out once in a year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. The discrepancies noticed on physical verification of Inventory have been properly dealt with in the books of accounts.
- b) According to the information and explanation given to us and on the basis of our examination of the records of the company, the company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has provided guarantee or securities or loans, secured or unsecured, during the year in respect of which:
- (a) A. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted loans, provided Securities and Guarantees which are given below:-

Rs. in Lacs

Particulars	Guarantees / Securities	Loans / Advances in nature of Loans
Aggregate amount during the year 2022-23		
- Subsidiaries	5,788	97,272
Balance Outstanding as at 31.03.2023		
- Subsidiaries	6,40,080	9,139*

* Including Accrued Interest of Rs. 239 Lacs.

- B. Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has not granted loans to a party other than subsidiaries, Joint Ventures and Associates.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the loans given are, prima facie, not prejudicial to the interest of the Company.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdue of existing loans given to the same party.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has given loans to subsidiaries without specifying any terms or period of repayment in the following cases:-

Rs. in Lacs

Particulars	Related Parties (Subsidiary)
Aggregate amount of loans/ advances in nature of loans -	
- Repayable on demand (A)	-
- Without specifying any terms or period of repayment (B)	97,272*
Total (A+B)	97,272
Percentage of loans/ advances in nature of loans to the total loans	100%

*Out of ₹ 97272 Lacs, outstanding as on 31.03.2023 amounts to ₹ 6400 Lacs

- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable
- vi. The company has made and maintained cost accounts and records as specified by the Central Government under section 148 (1) of the Companies Act 2013. However, we have not made a detailed examination of these accounts and records with a view to determine whether they are accurate and complete.
- vii. a) The Company does not have liability in respect of Sales tax, Service tax, Duty of excise and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.



According to the information and explanations given to us, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no dues of GST, Provident fund, Employees' State Insurance, Income-tax, Sales tax, Service tax, Duty of Customs, Value added tax, Cess or other statutory dues which have not been deposited by the Company on account of disputes, except for the following:

Name of Statute	Nature of Dues	Amount (Rs. in Lacs)	Period	Forum where Dispute is pending
Income Tax Act	Demand u/s 156	997	F.Y. 2017-18	CIT (A)
Income Tax Act	Demand u/s 156	1,029	F.Y. 2019-20	CIT (A)
Income Tax Act	Demand u/s 156	469	F.Y. 2020-21	CIT (A)

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.

ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in loans or other borrowings or payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has applied the term loans for which the loans were obtained. However, during the year the company has transferred projects to its wholly owned subsidiary i.e. SJVN Green Energy Limited wherein the proceeds of term loan from Punjab National Bank in the form of External Commercial Borrowings amounting to ₹ 110178 Lacs was utilized resulting in End Use of such funds with its subsidiary.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that company has used funds raised on short-term basis aggregating to ₹ 1,00,000 Lacs for long term purposes.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from from any entity or person on account of or to meet the obligations of its subsidiaries and joint ventures except company has taken Overdraft from banks and made investment in subsidiary, as per details given below:

Nature of Fund taken	Name of Lender	Amount Involved (Rs. in Lacs)	Name of Subsidiary	Nature of Transaction for which funds utilized
Overdraft	PNB, SHIMLA	2,790	SJVN Green Energy Limited (SGEL)	Investment made on account of debt settlement of subsidiary.

Overdraft	CANARA PATNA	37,500	SJVN Green Energy Limited (SGEL)	Investment made on account of debt settlement of subsidiary.
Overdraft	SBI, DELHI	21,600	SJVN Green Energy Limited (SGEL)	Investment made on account of debt settlement of subsidiary.
Overdraft	INDIAN BANK	22,000	SJVN Green Energy Limited (SGEL)	Investment made on account of debt settlement of subsidiary.
Overdraft	UNION BANK	16,110	SJVN Green Energy Limited (SGEL)	Investment made on account of debt settlement of subsidiary.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

x. a) According to information and explanation given to us the company has not raised money by way of initial public offer or further public offer (including debt instrument). Accordingly, clause 3(x)(a) of the Order is not applicable.

b) Based on Audit procedure performed and based on information and explanation given by the management company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable

xi. a) Based on Audit procedure performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the company or no fraud on the company by its officers and employees has been noticed or reported during the course of audit.

b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provision of clause 3(xii) of the order is not applicable to the Company.

xiii. Based on Audit procedure performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, transaction with related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to standalone financial statements, as required by the applicable Indian Accounting Standards.

xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. In our opinion and according to the information and explanations



given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.


- xvi.** (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) (a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi) (b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii.** The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii.** There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix.** According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the

assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx.** In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

Date: 22nd May, 2023
Place: Shimla

For APT & Co LLP
Chartered Accountants
FRN: 014621C/N500088



(Nimish Kumar Sharma)
Partner
Membership No 514914
UDIN: 23514914BGZCAN1255

COMPLIANCE CERTIFICATE

We have conducted the audit of annual accounts of "SJVN Limited" for the year ended 31st March 2023 in accordance with the directions/ sub-directions issued by the C & AG of the India under Section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/ Sub-directions issued to us.

Date: 22nd May, 2023
Place: Shimla

For APT & Co LLP
Chartered Accountants
FRN: 014621C/N500088


(Nimish Kumar Sharma)
Partner
Membership No 514914
UDIN: 23514914BGZCAN1255




Annexure – “B” to the Independent Auditor’s Report

(Referred to in Paragraph 2 under the heading of “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of “SJVN Limited” for the year ended March 31, 2023)

S. No.	Directions	Actions taken	Impact on financial statements
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing transactions outside IT systems on the integrity of the accounts along with the financial implications, if any, may be stated.	According to the information and explanations given to us and based on our audit, the Company has a system in place to process all the accounting transactions through IT system and for this purpose SAP-ERP has been implemented by the Company. Period end Financial Statements are compiled offline based on balances and transactions generated from such SAP-ERP system. We have neither been informed nor we have come across during the course of our audit any accounting transactions which have been processed outside the IT system having impact on the integrity of the accounts.	Nil
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/ interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	According to information and explanations given to us and based on our audit, there is no case of restructuring of an existing loan or cases of waiver/write off of debts / loans / interest etc. made by lender to the Company.	Nil
3	Whether funds (grants / subsidy etc.) received / receivable for specific schemes from central / State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Based on the audit procedures carried out and as per the information and explanations given to us, the funds (grants/ subsidy etc.) received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per the respective terms and conditions.	Nil

Date: 22nd May, 2023
Place: Shimla

For APT & Co LLP
Chartered Accountants
FRN: 014621C/N500088

(Nimish Kumar Sharma)
Partner
Membership No 514914
UDIN: 23514914BGZCAN1255



Annexure “C” to the Independent Auditors’ Report on the Standalone Financial Statements of SJVN Limited for the year ended March 31, 2023

(Referred to in paragraph 3(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting with reference to the Standalone Financial Statements of **SJVN Limited** (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The company management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting with reference to standalone financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance

of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Company has in all material respect, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company Considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. However, there are following issues in Internal Financial Control:

(i) It has been 4 years of implementation of SAP in SJVN. But, still there are few areas where calculations are carried out manually. The details are as under:-

- Calculation of Rebate,
- Bank Reconciliation Statement
- Issue of Purchase Order

We believe this should be rooted through SAP in order to increase reliability on the same.

(ii) With the significant increase in borrowed funds and its utilization in multiple projects viz. “under construction” or “operational projects”, the calculation of interest, its apportionment towards various under construction projects etc. shall be rooted through SAP in order to increase the reliability on the same.

For APT & Co LLP
Chartered Accountants
FRN: 014621C/N500088

(Nimish Kumar Sharma)
Partner

Membership No 514914
UDIN: 23514914BGZCAN1255

Date: 22nd May, 2023
Place: Shimla



Board's reply on Statutory Auditors' Observations on Internal Financial Control-Annexure-C to the Auditors' Reports (Standalone Financial Statements)

Auditors' Observations	Board's Reply
<p>i. It has been 4 years of implementation of SAP in SJVN. But, still there are few areas where calculations are carried out manually. The details are as under: -</p> <ul style="list-style-type: none"> - Calculation of Rebate; - Bank Reconciliation Statement; - Issue of Purchase Order. <p>We believe this should be rooted through SAP in order to increase reliability on the same.</p> <p>ii. With the significant increase in borrowed funds and its utilization in multiple projects viz. "under construction" or "operational projects", the calculation of interest, its apportionment towards various under construction projects etc. shall be rooted through SAP in order to increase the reliability on the same.</p>	<p>From the FY 2023-24 calculation of Rebate in being carried out through SAP.</p> <p>Bank Reconciliation Statement and Issue of purchase orders was implemented in SAP during the FY 2022-23 but due to some practical difficulties these processes could not be operationalised through SAP. However, necessary changes have been made in these SAP processes and from FY 2023-24, bank reconciliation statements and issue of purchase orders shall be carried through SAP.</p> <p>The process of calculation of Interest on borrowed funds and its apportionment toward various under construction projects shall be implemented and routed through SAP/ other suitable system during the FY 2023-24.</p>

For and on behalf of Board of Directors

(Nand Lal Sharma)

Chairman and Managing Director

DIN: 03495554

Date: 9th August, 2023

Place: New Delhi

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF SJVN LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of financial statements of SJVN Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 22 May, 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of SJVN Limited for the year ended 31 March 2023 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

(Sanjay K. Jha)

Director General of Audit (Energy), Delhi

Date: 31st July, 2023

Place: New Delhi



BALANCE SHEET AS AT MARCH 31, 2023

(₹ Lakh)

	Note No.	As at March 31, 2023	As at March 31, 2022
ASSETS			
Non - current assets			
Property, plant and equipment	2.1	709399	729062
Capital work-in-progress	2.2	302869	222615
Intangible Assets	2.3	844	2128
Intangible assets under development	2.4	-	41
Financial Assets			
Investments	2.5	593145	492188
Loans	2.6	9364	9684
Other financial assets	2.7	19847	18648
Deferred tax assets (net)	2.8	48392	52971
Other non-current assets	2.9	66657	56173
Total non- current assets		1750517	1583510
Current assets			
Inventories	2.10	7280	6266
Financial assets			
Trade receivables	2.11	27064	57503
Cash and cash equivalents	2.12	12812	1724
Bank balance other than cash and cash equivalents	2.13	290213	280540
Loans	2.14	11404	4713
Other financial assets	2.15	118834	48236
Other current assets	2.16	13669	13090
Total current assets		481276	412072
Assets held-for-sale	2.17	1625	1607
Regulatory deferral account debit balance	2.18	79612	80860
TOTAL ASSETS		2313030	2078049
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.19	392980	392980
Other Equity	2.20	989217	919881
Total Equity		1382197	1312861
Liabilities			
Non- current liabilities			
Financial liabilities			
Borrowings	2.21	639512	479695
Lease liabilities	2.22	640	583
Other financial liabilities	2.23	1	1
Provisions	2.24	11802	10634
Other non- current liabilities	2.25	70683	72939
Total non-current liabilities		722638	563852
Current liabilities			
Financial liabilities			
Borrowings	2.26	74501	72359
Lease liabilities	2.27	553	631
Trade payables			
Total outstanding dues of micro and small enterprises	2.28	666	700
Total outstanding dues of creditors other than micro and small enterprises	2.28	4004	3016
Other financial liabilities	2.29	64910	69935
Other current liabilities	2.30	4928	5013
Provisions	2.31	58633	49682
Total current liabilities		208195	201336
TOTAL EQUITY AND LIABILITIES		2313030	2078049

The accompanying notes from 2.1 to 2.65 form an integral part of the financial statements.


For and on behalf of the Board of Directors


(Soumendra Das)
Company Secretary
FCS-4833


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


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

As per our report of even date
For APT & Co. LLP
Chartered Accountants
FRN-014621C/N500088


(Nimish Kumar Sharma)
Partner
M.No. 514914
Place: Shimla
Date : May 22, 2023



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023


(₹ Lakh)

	Note No.	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Income			
Revenue from Operations	2.32	293541	242196
Other Income	2.33	36343	20358
Total Income		329884	262554
Expenses			
Purchase of Electricity for Trading		17	-
Employee Benefits Expense	2.34	29485	28941
Finance Costs	2.35	43223	16134
Depreciation and Amortization Expense	2.36	39059	40429
Other Expenses	2.37	41924	40380
Total Expenses		153708	125884
Profit/ (Loss) before exceptional items and tax		176176	136670
Exceptional Items	2.38	2963	2326
Profit before net movement in regulatory deferral account balance and tax		173213	134344
Tax Expenses:			
- Current Tax		29700	22909
-Adjustments relating to earlier years		1559	-
- Deferred Tax	2.8	4579	9301
Profit before regulatory deferral account balances		137375	102134
Net movement in regulatory deferral account balances (net of tax)	2.39	(1030)	(4382)
Profit for the year		136345	97752
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
-Remeasurement of the net defined benefit liability/asset		(245)	(197)
-Income tax on above item		43	34
Total		(202)	(163)
Total Comprehensive Income for the period		136143	97589
Earnings Per Equity Share (excluding net movement in regulatory deferral account balance)			
Basic and Diluted (₹)		3.50	2.60
Earnings Per Equity Share (including net movement in regulatory deferral account balance)			
Basic and Diluted (₹)		3.47	2.49
Weighted average equity shares used in computing earnings per equity share		3929795175	3929795175

The accompanying notes from 2.1 to 2.65 form an integral part of the financial statements.

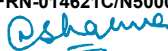
For and on behalf of the Board of Directors


(Souendra Das)
Company Secretary
FCS-4833


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


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

As per our report of even date
For APT & Co. LLP
Chartered Accountants
FRN-014621C/N500088


(Nimish Kumar Sharma)
Partner
M.No. 514914
Place: Shimla
Date : May 22, 2023



STATEMENT OF CASH FLOWS For the Year Ended March 31, 2023

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Cash flow from operating activities		
Profit before net movement in regulatory deferral account balance and tax	173213	134344
Add: Net movement in regulatory deferral account balances (net of tax)	(1030)	(4382)
Add: Tax on net movement in regulatory deferral account balances	(218)	(928)
Profit before tax including movement in regulatory deferral account balances	171965	129034
Adjustment for:		
Depreciation and amortization	39059	40429
Interest on term deposits	(13920)	(9612)
Dividend from Subsidiary / Associate / Joint Venture	(315)	(139)
Finance cost	43223	16134
Loss on disposal/ write off of fixed assets	904	362
Gain on transfer of Shares in Joint Venture	(11428)	-
Profit on sale of fixed assets	(142)	(34)
	57381	47140
Adjustment for assets and liabilities		
Inventories	(1014)	(651)
Trade receivable and unbilled revenue	14776	(4977)
Loans, other financial assets and other assets	(63230)	25590
Trade payable	954	(517)
Other financial liabilities and other liabilities	(1122)	(566)
Regulatory deferral account debit balance	1248	5310
Provisions	10049	862
	(38339)	25051
Cash generated from operating activities	191007	201225
Income tax paid	(33395)	(36182)
Net cash generated by operating activities	157612	165043
Cash flow from investing activities:		
Net expenditure on Property, Plant & Equipment and CWIP including advances for capital works	(90071)	(128277)
Term deposits with bank (having maturity more than three months)	(10015)	(204346)
Interest on term deposits	13759	5898
Dividend from subsidiary / associate / joint venture	315	139
Investment in subsidiaries and joint ventures	(130000)	(140974)
Share application money paid to subsidiaries/ joint ventures	-	41650
Transfer of shares in subsidiaries/ joint ventures	35471	-
Net cash used in investing activities	(180541)	(425910)
Cash flow from financing activities:		
Repayment of borrowings	(54467)	(31578)
Proceed from borrowings	186469	333841
Payment of lease liabilities	(916)	(583)
Interest and finance charges	(29057)	(7705)
Dividend Paid	(66799)	(61054)
Cash used in financing activities	35230	232921
Net increase in cash and cash equivalents	12301	(27946)
Opening balance of cash & cash equivalents (refer note 1 and 2 below)	(29104)	(1158)
Closing balance of cash & cash equivalents (refer note 1 and 2 below)	(16803)	(29104)
Restricted cash balance		
Earmarked Balance (Unpaid Dividend)	148	140
Margin Money for BG/ Letter of Credit and Pledged deposits	185766	66968
Total	185914	67108

The accompanying notes form an integral part of the financial statements.

- Cash and Cash equivalents consist of Cash in hand, cheques/drafts in hand, Bank Balances including Short Term Deposits having original maturity upto three months and bank overdraft.
- Reconciliation of Cash and Cash Equivalents:

	As at March 31, 2023	As at March 31, 2022
Cash and Cash equivalents as per note 2.12	12812	1724
Bank overdraft as per note 2.26	(29615)	(30828)
Cash & Cash Equivalents as per statement of cash flows	(16803)	(29104)



3. Refer note 2.40 for details of undrawn borrowings facilities .
4. Refer note for amount spent on CSR activities.

5. Net Debt Reconciliation

	As at March 31, 2023	As at March 31, 2022
Borrowings (Current & Non- Current) and accrued interest excluding bank overdraft)	690321	524784
Lease Liabilities	1193	1214
Total	691514	525998

For the Year Ended March 31, 2023

Particulars	Borrowings (Current & Non- Current) including accrued interest)	Lease Liabilities	Total
Opening Net Debt as at April 1,2022	524784	1214	525998
Cash Flows For the Year Ended	102945	(916)	102029
Non-cash changes due to:			
Foreign Exchange Adjustments	31170	-	31170
Interest & Finance Charges	31422	-	31422
Addition/ Adj. of lease liabilities	-	895	895
Closing Net Debt as at March 31, 2023	690321	1193	691514


For and on behalf of the Board of Directors


(Soumendra Das)
Company Secretary
FCS-4833


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


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

As per our report of even date
For APT & Co. LLP
Chartered Accountants
FRN-014621C/N500088


(Nimish Kumar Sharma)
Partner
M.No. 514914
Place: Shimla
Date : May 22, 2023



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. Equity Share Capital

For the Year Ended March 31, 2023

Particulars	Amount (₹ Lakh)
Opening Balance as at April 1, 2022	392980
Equity Shares issued during the year	-
Equity Shares bought back during the year	-
Closing Balance as at March 31, 2023	392980

For the Year Ended March 31, 2022

Particulars	Amount (₹ Lakh)
Opening Balance as at April 1, 2021	392980
Equity Shares issued during the year	-
Equity Shares bought back during the year	-
Closing Balance as at March 31, 2022	392980

B. Other Equity

For the Year Ended March 31, 2023

(₹ Lakh)

Particulars	Reserves and Surplus			Total Other Equity
	Capital Redemption Reserve	Securities Premium	Retained Earnings	
Opening Balance as at April 1, 2022	20683	-	899198	919881
Profit for the Period			136345	136345
Other Comprehensive Income			(202)	(202)
Total Comprehensive Income			136143	136143
Dividends				
Final Dividend Paid for 2021-22			(21614)	(21614)
Interim Dividend Paid for 2022-23			(45193)	(45193)
Closing Balance as at March 31, 2023	20683	-	968534	989217

For the Year Ended March 31, 2022

(₹ Lakh)

Particulars	Reserves and Surplus			Total Other Equity
	Capital Redemption Reserve	Securities Premium	Retained Earnings	
Opening Balance as at April 1, 2021	20683	-	862521	883204
Profit for the Period			97752	97752
Other Comprehensive Income			(163)	(163)
Total Comprehensive Income			97589	97589
Dividends				
Final Dividend Paid for 2020-21			(15719)	(15719)
Interim Dividend Paid for 2021-22			(45193)	(45193)
Closing Balance as at March 31, 2022	20683	-	899198	919881

For and on behalf of the Board of Directors


(Souendra Das)
Company Secretary
FCS-4833


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


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

As per our report of even date

For APT & Co. LLP
Chartered Accountants
FRN-014621C/N500088



(Nimish Kumar Sharma)
Partner
M.No. 514914
Place: Shimla
Date : May 22, 2023



I. Company Information and Significant Accounting Policies

A. Reporting Entity

SJVN Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: L40101HP1988GOI008409). The shares of the Company are listed and traded on the National Stock Exchange of India Limited (NSE) and BSE Limited in India. The address of the company's registered office is Shakti Sadan, Shanan, Shimla-171006 (H.P.). Electricity generation is the principal business activity of the company. The company is also engaged in the business of providing consultancy.

B. Significant Accounting Policies

1.1 Basis of Preparation:

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

These financial statements were authorized for issue by the Board of Directors on May 22, 2023.

Use of estimates and management judgments:

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

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that may have the most significant effect on the amount recognized in the financial statements are as under:

a) Useful life of Property, Plant & Equipment and intangible assets:

The estimated useful life of property, plant & equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flow from the asset.

Useful life of the asset used for generation of electricity is determined by the Central Electricity Regulatory Commission (CERC) tariff regulations as mentioned in Part-B of schedule-II of the Companies act 2013 except for computer & peripherals, mobile phones, Furniture & Fixture, Office/ Electrical Equipment and solar and wind power plants which are as per management assessment.

b) Recoverable amount of property, plant and equipment and intangible assets:

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding, in particular, the expected market outlook and future cash flows associated with the power plants, Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

c) Post-employment benefits plan:

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

d) Revenue:

The company recognizes revenue from sale of power based on tariff approved by the CERC. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC tariff regulations / PPA signed with beneficiaries.

e) Regulatory deferral account balances:

Recognition of regulatory deferral account balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

f) Investment in Subsidiaries and Joint Ventures:

Investment has been carried at cost and as per assessment by the Company, there is no indication of impairment on such investments. Any changes in assumption may have a material impact on the measurement of the recoverable amount.

g) Provisions and contingencies:

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has been made on the basis of best judgment by management regarding probable outflow of economic resources. Such estimation can change on occurrence of unforeseeable developments.

1.2 Basis of Measurement:

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

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

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

These financial statements are presented in Indian Rupees (₹), which is the Company's functional and presentation currency and all amounts are rounded to the nearest lakh, except as stated otherwise.

1.3 Property, plant and equipment (PPE)

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



- b) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- c) PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost wherever required. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. Where final settlement of bills with contractors is pending/under dispute, capitalization is done on estimated/provisional basis subject to necessary adjustment in the year of final settlement.
- d) After initial recognition, Property, Plant & Equipment is carried at cost less accumulated depreciation/ amortisation and accumulated impairment losses, if any.
- e) Deposits, Payments/ liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
- f) Asset created on land not belonging to the company where the company is having control over the use and access of such asset are included under Property, Plant and Equipment.
- g) Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised when no future economic benefits are expected from its use or upon disposal. The costs of the day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred. Other spares are treated as "stores & spares" forming part of the inventory and charged to statement of profit & loss when used / consumed.
- h) Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the company and the cost of the item can be measured reliably.
- i) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life of the power station resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset.
- j) Property, plant and equipment is derecognized when no future economic benefits are expected from its use or upon its disposal. Gains and losses on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

1.4 Capital Work-in-progress

- a) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work-in-progress (CWIP). Such cost comprises of purchase price of asset including other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.
- b) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, depreciation on assets used in construction of projects, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Expenditure Attributable to Construction (EAC)" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects. Net pre-commissioning income/ expenditure is adjusted directly in the cost of related assets.
- c) Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential for construction of the project is carried under "Capital

Work-in-progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects. Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

- d) Expenditure on Survey and Investigation of the Project is carried as capital work in progress and capitalized as cost of Project on completion of construction of the Project or the same is expensed in the year in which it is decided to abandon such project.
- e) Expenditure against "Deposit Works" is accounted for on the basis of statement of account received from the concerned agency and acceptance by the company. However, provision is made wherever considered necessary.
- f) Claims for price variation/ exchange rate variation in case of contracts are accounted for on acceptance.

1.5 Non -Current Assets Held for Sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable.

Assets and disposal group identified/ approved for sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortized.

1.6 Investment Property

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

1.7 Intangible Assets and intangible assets under development

- a) Intangible assets are identifiable non-monetary asset without physical substance. Intangible assets are recognised if:
 - i. It is probable that the expected future economic benefit that are attributable to the asset will flow to the entity; and



- ii. the cost of the asset can be measured reliably
- b) Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- c) Subsequent expenditure on already capitalized Intangible assets is capitalised when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.
- d) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any.
- e) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.
- f) Expenditure on development activities is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to & has sufficient resources to complete development and to use or sell the asset.
- g) Expenditure incurred which are eligible for capitalisation under intangible assets are carried as intangible assets under development till they are ready for their intended use.

1.8 Regulatory deferral accounts

- a) Expenses/ income recognized in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized as 'Regulatory deferral account balances' as per Ind AS-114.
- b) Regulatory deferral account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.
- c) Regulatory deferral account balances are evaluated at each balance sheet date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If these criteria are not met, the regulatory deferral account balances are derecognised.

1.9 Impairment of non-financial assets

- a) The carrying amounts of the Company's non-financial assets primarily include property, plant and equipment, which are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Company. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.
- b) In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.
- c) Impairment losses recognized in earlier period are assessed at each reporting date for any indication that loss has decreased

or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

1.10 Inventories

- a) Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipment.
- b) Inventories and Certified Emission Reduction (CERs-Carbon Credit) are valued at the lower of cost and net realizable value.
- c) Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- d) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
- e) Net realizable value of obsolete, unserviceable and surplus stores & spares is ascertained at the end of financial year and provided for, wherever required. Scrap is accounted for as and when sold.

1.11 Foreign Currency Transactions:

a) Functional and presentation currency:

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

b) Transactions and balances

- i. Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date. Non-monetary items denominated in foreign currency are reported at the exchange rate prevailing at the date of transaction.
- ii. Exchange differences arising on translation or settlement of monetary items are recognised in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of fixed assets entered up to March 31, 2016 are adjusted to carrying cost of fixed assets.
- iii. In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Company initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

The Company has elected to avail the exemption available under IND AS 101, with regard to continuation of policy for accounting of exchange differences arising from translation of long term foreign currency monetary liabilities.

1.12 Financial instruments – initial recognition, subsequent measurement and impairment

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

a) Financial Assets

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

**Initial recognition and measurement:**

- i. All financial assets except trade receivables are recognised initially at fair value plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.
- ii. The company measures the trade receivables at their transaction price if the trade receivables do not contain a significant financing component. A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

Subsequent measurement:

- i. Financial Assets are measured at amortized cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.
- ii. After initial measurement, financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss.
- iii. Financial assets at fair value through other comprehensive income are measured at each reporting date at fair value. Fair value changes are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss.
- iv. Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit and Loss.

Impairment of financial assets:

- i. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.
- ii. In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss and follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract assets resulting from transactions within the scope of Ind-AS 115.
- iii. The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
- iv. For recognition of impairment loss on other financial assets, the company assesses whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, ECL is provided. For assessing increase in credit risk and impairment loss, the company assesses the credit risk characteristics on instrument-by-instrument basis.
- v. Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the statement of profit and loss.

Derecognition:

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

b) Financial liabilities

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

Classification, initial recognition and measurement:

- a) Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the effective rate of interest.
- b) Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Subsequent measurement:

- a) After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset, when the liabilities are derecognised as well as through the EIR amortisation process.
- b) Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit and Loss.

Derecognition:

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

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.13 Investment in Subsidiaries

- a) A subsidiary is an entity controlled by the Company. Control exists when the Company has power over the entity, is exposed, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over entity. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns.
- b) Investments in subsidiaries are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost. On transition to IND AS, the Company has adopted optional exemption under IND AS 101 to value investments in subsidiaries at cost less impairment, if any.

1.14 Investment in joint ventures and associates:

- a) A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.



- b) An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies.
- c) The investment in joint ventures and associates are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost less impairment, if any.

1.15 Leases

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019).

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

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

i) As a lessee

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

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

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

Subsequently, the right-to-use assets is measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of lease liability. The Company applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in accounting policy 1.9 on "Impairment of non-financial assets".

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

The interest cost on lease liability is expensed in the Statement of Profit and Loss, unless eligible for capitalization as per accounting policy 1.17 on "Borrowing Cost".

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

ii) As a Lessor

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

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

1.16 Government Grants

- a) Government grants with a condition to purchase, construct or otherwise acquire long-term assets are initially measured based on grant receivable under the scheme. Such grants are recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset. Amount of benefits receivable in excess of grant income accrued based on usage of the assets is accounted as Government grant received in advance. Changes in estimates are recognised prospectively over the remaining life of the assets.
- b) Government revenue grants relating to costs are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate.
- c) Non-monetary government grants are recorded at a nominal amount.

1.17 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes interest expense on lease liabilities recognized in accordance with Ind AS 116- 'Leases' and exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction/ erection or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. All other borrowing costs are expensed in the period in which they occur.

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

1.18 Provisions, Contingent Liabilities and Contingent Assets

- a) A provision is recognised when:
 - i. the Company has present legal or constructive obligation as result of past event;
 - ii. it is probable that an outflow of economic benefits will be required to settle the obligation; and
 - iii. a reliable estimate can be made of the amount of the obligation.
- b) If the effect of the time value of money is material, provision are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.
- c) The amount recognised as provision is the best estimate of consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.
- d) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- e) Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as



a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

- f) Liability for claims against the Company is recognized on acceptance by the Company/ receipt of award from the Arbitrator and the balance claim, if disputed/ contested by the contractor is shown as contingent liability. The claims prior to arbitration award stage are disclosed as contingent liability.
- g) Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgement of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

1.19 Revenue Recognition and Other Income

Company's revenues arise from sale of energy, consultancy services and other income. Other income comprises interest from banks, employees, contractors etc., dividend from investments in joint venture companies, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

- a) Revenue from operations of the company mainly consists from plants regulated under the Electricity Act, 2003. Accordingly, the Central Electricity Regulatory Commission (CERC) determines the tariff on the norms prescribed in the tariff regulations as applicable from time to time. Revenue from sale of energy is accounted for as per tariff notified by CERC. In case of power stations where the tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations. Further, recovery/refund towards foreign currency variation in respect of foreign currency loans is accounted for on year to year basis. Revenue from sale of energy is recognized once the electricity has been transmitted to customers and control over the product is transferred to the customers. As at each reporting date, revenue from operations includes an accrual for energy sales transmitted to customers but not yet billed (unbilled Revenue).
- b) Part of revenue from energy sale where CERC tariff Regulations are not applicable is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries
- c) Rebate to customers as early payment incentive is deducted from the amount of revenue from energy sales.
- d) Incentives/disincentives are accounted for based on the norms notified/approved by the Central Electricity Regulatory Commission.
- e) Recovery/ refund towards foreign currency variation in respect of foreign currency loans are recognised on year to year basis based on regulatory norms.
- f) Advance Against Depreciation (AAD) considered as deferred income in earlier years is included in sales on straight line basis over the balance useful life after 31st March of the year closing after a period of 12 years from the date of commercial operation of the Hydro Power Station, considering the total useful life of the Hydro Power Station as 40 years.
- g) Revenue from consultancy services rendered is recognised in the statement of profit and loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to actual progress/ technical assessment of work executed, in line with the terms of respective consultancy contracts. Claims for reimbursement of expenditure are recognized as other income, as per the terms of consultancy contracts.

- h) Interest/Surcharge on late payment/ overdue sundry debtors for sale of energy are recognised when no significant uncertainty as to measurability or collectability exists.
- i) Dividend income is recognized when the company's right to receive payment is established.
- j) Interest/surcharge/liquidated damages recoverable from suppliers and contractors, wherever there is uncertainty of realisation/ acceptance are accounted for on receipts/acceptance.
- k) Interest income on financial assets as subsequently measured at amortized cost is recognised on a time-proportion basis using the effective interest method. Interest income on impaired loans/ receivable is recognised using the original effective interest rate.
- l) Income arising from sale of CERs-carbon credit is recognized on transfer/ sale of carbon credits i.e. when there is certainty regarding ultimate collection.
- m) Compensation from third parties including from insurance are accounted for on certainty of realization.

1.20 Employee Benefits

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

a) Defined Contribution Plans

- i) A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate trust and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the periods during which services are rendered by employees.
- ii) The company also has Defined Contribution Pension Scheme for providing pension benefit. The obligation of the company is to contribute the extent of amount not exceeding 30% of basic pay and dearness allowance less employer contribution/liability towards provident fund, gratuity, post-retirement medical facility (PRMF). The liability for the same is recognized on accrual basis. The scheme is funded by company and managed by separate trust created for this purpose.

b) Defined Benefit Plans

- i. A defined benefit plan is a post-employment plan other than a defined contribution plan.
- ii. The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. The obligation of the company is limited to such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI.
- iii. The gratuity scheme is funded by the company and is managed by a separate trust. Company's liability is determined by the qualified actuary using the projected unit credit method at the year-end and any shortfall in the fund size maintained by the trust is additionally provided for by the company.
- iv. The company has a Post Retirement Medical Facility (PRMF), under which retired employees, spouse and eligible parents of retired employee are provided medical facilities in the company hospitals/ empanelled hospitals/ other hospitals. They can also avail treatment as Out- patient subject to rules and regulations made by the Company.
- v. The company also has other benefit plans allowance on retirement/ death and memento on superannuation.
- vi. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets



- is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.
- vii. Service cost & net interest on the net defined benefit liability (asset) are recognised in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.
- viii. Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.
- c) Other Long-term employee benefits**
- Benefits under the Company's leave encashment scheme constitute other long term employee benefits.
- The Company's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. Actuarial gains or losses are recognised in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.
- Benefits under the Company's leave encashment, long-service award and economic rehabilitation scheme constitute other long term employee benefits.
- The Company's net obligation in respect of these long-term employee benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.
- The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. Any actuarial gains or losses are recognized in statement of profit and loss account in the period in which they arise.
- The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.
- d) Short-term Benefits**
- Short-term employee benefit obligations are measured on an undiscounted basis and are expensed in the period in which the service is provided.
- e) Terminal Benefits**
- Expenses incurred on terminal benefits in the form of ex-gratia payments and notice pay on voluntary retirement schemes, if any, are charged to the profit and loss in the year of incurrence of such expenses.
- 1.21 Depreciation and amortization**
- a) Depreciation on Property, Plant & Equipment of Operating Units of the Company is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology as notified by CERC for the fixation of tariff in accordance with Schedule-II of the companies act 2013 except for assets specified in policy no. 1.21(c) below.
- b) Depreciation on Property, Plant & Equipment of other than Operating Units of the Company is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in policy no. 1.21(c) below.
- c) Depreciation on the following items of Property, Plant and Equipment is charged on straight line method on estimated useful life:
- Computer & Peripherals depreciated fully (100%) in 3 years.
 - Mobile Phones depreciated fully (100%) in 2 years.
 - Furniture & Fixture, Office Equipment and Electrical Equipment are depreciated in 5-15 years with residual value of 10%.
 - Solar and Wind Power plants which are not governed by CERC regulation are depreciated in 25 years with residual value of 10%.
The useful life of these assets are reviewed at each financial year end and adjusted prospectively, wherever required.
- d) Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the month on which the asset is available for use / disposed.
- e) Temporary erections are depreciated fully (100%) in the year of acquisition /capitalization.
- f) Assets costing upto ₹ 5000/- are fully depreciated in the year of acquisition.
- g) Expenditure on software recognized as 'Intangible Asset' and is amortized fully on straight line method over a period of legal right to use or three years, whichever is less. Other intangible assets with a finite useful life are amortized on a systematic basis over its useful life. The amortisation period and the amortisation method of intangible assets with a finite useful life is reviewed at each financial year end.
- h) Right-of-use land and buildings relating to generation of electricity business governed by CERC Tariff Regulations are fully amortized over lease period or life of the related plant whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.
Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized over lease period or life of the related plant whichever is lower.
Other Right of use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.
- i) Tangible Assets created on leasehold land are depreciated to the extent of 90% of original cost over the balance available lease period of respective land from the date such asset is available for use or at the applicable depreciation rates & methodology notified by CERC tariff regulations for such assets, whichever is higher.
- j) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, change in duties or similar factors, the unamortized balance of such assets is depreciated prospectively over the residual life of such asset determined following the applicable accounting policies relating to depreciation/ amortization.
- k) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.
- l) Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying



amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by the CERC.

- m) Expenditure on Catchment Area Treatment (CAT) Plan during construction is capitalized along with dam/civil works. Such expenditure during O&M stage is charged to revenue in the year of incurrance of such expenditure.

1.22 Income Taxes

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

a) Current income tax

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

b) Deferred tax

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

Deferred tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT credit is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future taxable profit will be available against which MAT credit can be utilized.

1.23 Dividend Distribution:

Final Dividends and interim dividends payable to Company's shareholders are recognized and accounted for in the period in which they are approved by the shareholders and the Board of Directors respectively.

1.24 Segment Reporting:

- a) Segments have been identified taking into account nature of product and differential risk and returns of the segment. These business segments are reviewed by the Management.
- b) Electricity generation is the principal business activity of the company. Other operations viz., Consultancy works etc. do not form a reportable segment as per the Ind AS -108 - 'Operating Segments'.

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

1.25 Statement of Cash Flows

- a) Cash and cash equivalents includes cash/Drafts/Cheques on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, bank overdrafts are shown within "Borrowings" under current liabilities.
- b) Statement of cash flows is prepared in accordance with the indirect method (whereby profit or loss is adjusted for effects of non-cash transactions) prescribed in Ind AS-7 "Statement of Cash Flows"

1.26 Material prior period errors

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

1.27 Earnings per share

- a) Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.
- b) Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.
- c) Basic and diluted earnings per equity share are also presented using the earnings amounts excluding the movements in regulatory deferral account balances.

1.28 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- a) Expected to be realised or intended to be sold or consumed in the normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

1.29 Miscellaneous

Minimum two percent of average profit (before tax) of three immediately preceding financial years is transferred to CSR Trust for incurring expenditure towards Corporate Social Responsibility (CSR).



2.1	Property, Plant & Equipment As at March 31, 2023	Gross Block				Depreciation		Net Block	
		As at April 1, 2022	Additions during the year	Deductions/ Adjustments	As at March 31, 2023	As at April 1, 2022	For the year	As at March 31, 2023	As at March 31, 2023
1	Land	28185	19347	(328)	47860	-	-	-	47860
	Freehold (including development expenses) (refer footnote (a) below)								
	Right of use	2935	9	1070	1874	254	54	51	1617
2	Buildings								
	Freehold (refer footnote (b) & (c) below)	136547	1799	-	138346	29565	4556	-	34121
	Right of use	18822	581	1452	17951	3147	1040	1331	2856
3	Roads and Bridges	7046	189	-	7235	1521	215	-	5499
4	Plant and Machinery	2725	382	2	3105	713	128	1	840
5	Generating Plant and Machinery	300412	4815	1963	303264	100495	11470	844	192143
6	Hydraulic Works(Dams, Tunnel, etc.)	532209	2158	-	534367	184315	19507	-	203822
7	Vehicles								
	Owned	831	29	28	832	273	63	24	312
	Right of use	2374	1021	2153	1242	1607	444	1567	484
8	Furniture, Fixture and Equipments	2473	524	30	2967	765	207	7	965
9	Electrical Works	3125	921	-	4046	978	150	-	1128
10	Electrical Equipments	762	604	20	1346	167	93	6	254
11	Office Equipments	4074	108	98	4084	1396	259	85	1570
12	Data processing Equipments	1540	209	182	1567	1154	240	173	1221
13	Right of use- Solar Park	11352	-	11352	-	-	-	-	-
	Total	1055412	32696	18022	1070086	326350	38426	4089	360687
	Total								709399
2.1	Property, Plant & Equipment As at March 31, 2022	Gross Block				Depreciation		Net Block	
		As at April 1, 2021	Additions during the year	Deductions/ Adjustments	As at March 31, 2022	As at April 1, 2021	For the year	As at March 31, 2022	As at March 31, 2022
1	Land	26874	1981	670	28185	-	-	-	28185
	Freehold (including development expenses) (refer footnote (a) below)								
	Right of use	1948	1010	23	2935	200	78	24	254
2	Buildings								
	Freehold (refer footnote (b) & (c) below)	134902	2941	1296	136547	25130	4488	53	29565
	Right of use	18779	130	87	18822	2237	977	67	3147
3	Roads and Bridges	6189	857	-	7046	1311	210	-	1521
4	Plant and Machinery	2478	251	4	2725	604	111	2	713
5	Generating Plant and Machinery	298576	1966	130	300412	87340	13179	24	100495
6	Hydraulic Works(Dams, Tunnel, etc.)	530659	1550	-	532209	165334	18981	-	184315
7	Vehicles								
	Owned	670	179	18	831	234	53	14	273
	Right of use	2420	288	334	2374	1449	490	332	1607
8	Furniture, Fixture and Equipments	2399	94	20	2473	629	145	9	765
9	Electrical Works	2913	212	-	3125	850	128	-	978
10	Electrical Equipments	624	178	40	762	163	4	-	167
11	Office Equipments	3877	297	100	4074	1153	250	7	1396
12	Data processing Equipments	1347	232	39	1540	933	256	35	1154
13	Right of use- Solar Park	-	11352	-	11352	-	-	-	-
	Total	1034655	23518	2761	1055412	287567	39350	567	326350
	Total								729062

(a) Possession of freehold land measuring 00-20-39 hectare (P.Y.: 00-20-39 hectare) is still to be handed over to the Company. The carrying amount of same is insignificant.
(b) Title deeds/in respect of buildings costing ₹ 15 lakh (P.Y.: ₹ 15 lakh) are yet to be executed/ passed in favour of the company. Expenses on stamp duty etc. shall be accounted for on registration.
(c) Includes ₹ 2448 lakh (P.Y.: Nil) capitalised during the year on account of provision made on the basis of arbitration award
(d) Information regarding property, plant and equipment pledged as security by the Company has been given in the note no. 2.21
(e) Detail of immovable property whose title deeds are not held in the name of the Company is given in the note no. 2.55.



2.1 (a) Deductions/ Adjustments from gross block and depreciation for the year includes: (₹ Lakh)

Particulars	Gross block		Depreciation	
	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Disposal of assets	919	388	359	75
Retirement of assets	1404	38	781	37
Writeback of excess capitalisation	-	185	-	58
Assets classified as held for sale	-	1618	-	11
Others *	15699	532	2949	386
Total	18022	2761	4089	567

Others Includes:

- 1) Decapitalisation of land during the year Nil (P.Y. measuring 16-18-02 hectare amounting to ₹ 137 lakh) taken over by Govt. of Himachal Pradesh in the year 2017 which was lying unused/ vacant out of the land acquired for the construction of Nathpa Jhakri Hydro Power Project.
- 2) Decapitalisation of land during the year Nil (P.Y. measuring 03-20-82 hectare amounting to ₹ 27 lakh) given to landless families under rehabilitation and resettlement plan of Nathpa Jhakri Hydro Power Project. Possession of the land has already been given to landless families, however, the mutation of the same in the name of the landless families is under process.

*Others include an amount of ₹ 12051 lakh and ₹ 9 lakh of gross block and provision for depreciation respectively on account of assets of renewable energy projects transferred to SGEL (refer footnote to note no. 2.15)

2.2 Capital Work-in-progress

As at March 31, 2023

Sl.No.	Particulars	As at April 1, 2022	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2023	Capitalised during the year	As at March 31, 2023
1	Building	6336	3461	15	9782	1782	8000
2	Civil Works	55279	53570	-	108849	2158	106691
3	Roads, Bridges & Culverts	3708	1737	-	5445	189	5256
4	Plant and Machinery	78	26187	25900	365	331	34
5	Electrical Works *	95	510	-	605	84	521
6	Electro Mechanical Works	36997	8885	11072	34810	4834	29976
7	Preliminary	13861	573	617	13817	-	13817
8	Expenditure on Compensatory Afforestation/CAT Plan	27713	9	-	27722	-	27722
9	Expenditure Attributable to Construction (Note 2.2.1)	72728	36540	9679	99589	-	99589
10	Sub-station	125	668	-	793	793	-
11	Transmission Lines	5695	5568	-	11263	-	11263
	Total	222615	137708	47283	313040	10171	302869

As at March 31, 2022

Sl.No.	Particulars	As at April 1, 2021	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2022	Capitalised during the year	As at March 31, 2022
1	Building	5665	3863	1067	8461	2125	6336
2	Civil Works	26121	30704	-	56825	1546	55279
3	Roads, Bridges & Culverts	876	2530	(1158)	4564	856	3708
4	Plant and Machinery	180	3285	3100	365	287	78
5	Electrical Works	160	167	-	327	232	95
6	Electro Mechanical Works	3328	32459	(3098)	38885	1888	36997
7	Preliminary	10050	5995	2184	13861	-	13861
8	Expenditure on Compensatory Afforestation/CAT Plan	17698	10015	-	27713	-	27713
9	Expenditure Attributable to Construction (Note 2.2.1)	56111	18818	2201	72728	-	72728
10	Sub-station	-	125	-	125	-	125
11	Transmission Lines	-	5695	-	5695	-	5695
	Total	120189	113656	4296	229549	6934	222615

Transfers/ adjustments include an amount of ₹ 46068 lakh on account CWIP of renewable energy projects transferred to SGEL (refer footnote to note no. 2.15)



**2.2 (a) Capital-Work-in Progress (CWIP) aging schedule
As at March 31, 2023**

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	122889	75209	26495	59086	283679
Projects temporarily suspended *	377	1029	697	17087	19190
Total	123266	76238	27192	76173	302869

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	113656	35619	33578	20949	203802
Projects temporarily suspended *	1029	697	1505	15582	18813
Total	114685	36316	35083	36531	222615

*Devsari Hydro Electric Project located in the State of Uttarakhand, survey and investigation work of the which has been put on hold as per the direction of the Ministry of Power, Govt. of India vide letter dated July 06, 2021, the CWIP of same has been shown under the projects temporarily suspended.

2.2 (b) Capital-Work-in Progress (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan:

CWIP	To be completed in			Total
	Less than 1 year	1-2 years	2-3 years	
Natwar Mori Hydro Electric Project	117833	-	-	117833
Bagodra Solar Power Project	19840	-	-	19840
Total	137673	-	-	137673

CWIP	To be completed in			Total
	Less than 1 year	1-2 years	2-3 years	
Natwar Mori Hydro Electric Project	73704	-	-	73704
Total	73704	-	-	73704



2.2.1 Expenditure Attributable to Construction

	(₹ Lakh)	
	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Employee Benefit Expenses:		
Salaries, Wages, Allowances and Benefits	10937	8379
Contribution to Provident and Other Funds	1095	1085
Leave Salary and Pension Contribution *	21	24
Welfare Expenses	992	887
	13045	10375
Repair and Maintenance:		
Buildings	50	61
Plant & Machinery	9	6
Office Equipments & Furnitures	8	6
Vehicles	29	26
Others	360	260
	456	359
Other Expenses:		
Rent	96	31
Rates & Taxes	10	2
Insurance	13	9
Security Expenses	374	216
Electricity Charges	71	58
Travelling & Conveyance	322	143
Training and Recruitment Expenses	352	309
Legal Expenses	63	21
Professional and Consultancy Charges	143	398
Communication Expenses	248	224
Printing & Stationery	70	54
Advertisement & Publicity	34	129
EDP Expenses	481	150
Hiring of Vehicles	306	310
Entertainment Expenses	28	26
Expenses on Transit Camps	107	84
Books & Periodicals	6	8
Loss on Disposal/Write off of Fixed Assets	15	1
Foundation Stone Laying Ceremony Expenses	6	182
Business Promotion Expenses	24	25
Fees and subscription	99	141
Environment & Ecology Expenses	322	129
Tender Expenses	20	40
Less: Receipts from Sale of Tenders	-	1
	20	39
Miscellaneous Expenses **	1288	145
Rehabilitation Expenses	24	682
Depreciation and Amortization Expense	551	500
Interest and Finance Charges:		
Interest on Non- Convertible Bonds	2391	778
Foreign Currency Loans	3997	76
Interest on rupee term loans	2177	2128
Finance charges on lease liabilities	25	26
Exchange differences regarded as adjustment to borrowing costs.	10776	1343
Other finance charges	3	-
Total expenses (A)	37943	19101
Less: Recovery and Receipts:		
Interest Income:		
Banks	728	21
Contractors	586	229
Misc Income	89	33
Total (B)	1403	283
Net expenditure attributable to construction Projects (A-B)	36540	18818

* Leave Salary and Pension Contribution is on account of retirement benefits of deputationists working in the company payable to their parent organisations.

** Misc. Expenses include an amount of ₹1167 lakh (P.Y. Nil) on account of crop/ blast damage compensation in respect of Luhri Hydro Electric Project -1. Corporate expenditure which is directly attributable to construction have been allocated to projects on the basis of accretion to CWIP.



2.5 Investments

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Investment in Equity instruments		
Non Trade-Unquoted (at cost)		
(a) Subsidiary Companies		
2511680000(P.Y:2511680000) Equity Shares of ₹10/- each in SJVN Thermal Pvt. Ltd.	251168	251168
336865600(P.Y:336865600) Equity Shares of ₹ 62.50/- each in Arun-3 Power Development Company Pvt. Ltd.	210541	210541
1300000000(P.Y:50000000) Equity Shares of ₹10/- each in SJVN Green Energy Limited	130000	5000
(b) Joint Venture Companies		
12612473(P.Y:12612473) Equity Shares of ₹10/- each in Cross Border Power Transmission Company Ltd.	1261	1261
Nil (P.Y:24042730) Equity Shares of ₹100/- each in Kholongchhu Hydro Energy Ltd*	-	24043
(c) Others		
17500000 (P.Y:17500000) Equity Shares of ₹1/- each in Power Exchange Limited (Formerly Pran Urja Solution Limited)	175	175
Total Investment in Equity Instruments	<u>593145</u>	<u>492188</u>
Other Investment		
60 Fully Paid up Ordinary shares of ₹ 50/-each in NJP Employees Consumer Co-operative Store, Jhakri (₹ 3000/-)	-	-
Total Other Investment	<u>-</u>	<u>-</u>
Total Investments	<u>593145</u>	<u>492188</u>

*Consequent upon the approval of Shareholders of Kholongchhu Hydro Energy Limited (KHEL) in 5th Extra ordinary Meeting (EGM) held on December 30,2022, SJVN had transferred all its entire shareholding in KHEL to Druk Green Power Corporation (DGPC) Bhutan against payment of equity contribution of SJVN in KHEL along with interest @ 9% per annum with monthly compounding till the date of payment to SJVN. The amount received on transfer of share in excess of cost of shares has been shown under other income note no. 2.33

2.6 Loans

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Loans to Related Parties		
Loans to Directors		
- Secured considered good	2	45
- Unsecured considered good	-	7
- Doubtful	-	-
	<u>2</u>	<u>52</u>
Other Loans		
Loan to officers of the company		
- Secured considered good	395	120
- Unsecured considered good	91	12
- Doubtful	-	-
	<u>486</u>	<u>132</u>
Loans to other Employees		
- Secured considered good	8096	8700
- Unsecured considered good	241	386
- Doubtful	-	-
	<u>8337</u>	<u>9086</u>
Other Advances:		
Unsecured considered good		
-Directors	2	-
-Officers of the Company	-	-
-Other Employees	537	414
	<u>539</u>	<u>414</u>
Total	<u>9364</u>	<u>9684</u>

2.7 Other financial assets

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Security Deposits	333	327
Bank Deposits with more than 12 months maturity *	18167	17825
Interest Accrued but not due on deposits with Banks	1347	496
Total	<u>19847</u>	<u>18648</u>

* Pledged with banks for bank guarantee/Letter of Credit etc. which are likely to be extended/matured beyond 31.03.2024



2.8 Deferred Tax Assets (Net)
As at March 31, 2023

(₹ Lakh)

	As at April 1, 2022	Additions/ (Adjustments) during the period	As At March 31, 2023
Deferred Tax Assets			
Temporary difference in carrying amount of PPE/ Intangible assets	9759	(2127)	7632
Temporary difference in Provisions	3206	360	3566
Deferred revenue	25916	(1127)	24789
MAT credit entitlement	14090	(1685)	12405
Total	52971	(4579)	48392

As at March 31, 2022

(₹ Lakh)

	As at April 1, 2021	Additions/ (Adjustments) during the period	As at March 31, 2022
Deferred Tax Assets			
Temporary Difference in carrying amount of PPE/ Intangible assets	13131	(3372)	9759
Temporary Difference in Provisions	2967	239	3206
Deferred Revenue	27042	(1126)	25916
MAT credit entitlement	19132	(5042)	14090
Total	62272	(9301)	52971

2.9 Other Non - current Assets

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Capital Advances		
Advances to Suppliers and Contractors		
Secured by hypothecation of Equipment/Material	3647	2309
Unsecured considered good		
-Covered by Bank Guarantees	9014	7938
-Others	1464	1741
Advances to Govt Departments	32704	27404
Less: Provision for Expenditure	201	201
Total - Capital Advances	46628	39191
Other Advances		
Accrued Interest on Advances to Contractors	124	228
Advance Tax	65141	168994
Tax Deducted at Source	3589	10107
	68730	179101
Less: Provision for Tax	51504	164272
Total - Other Advances	17226	14829
	17350	15057
Others		
Prepaid Expenses	6	382
Deferred Employee Benefits Expense	2673	1543
Total - Others	2679	1925
Total Other Non Current Assets	66657	56173

2.10 Inventories

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Stores and Spares	7280	6270
Less : Provision for Shortage of store and Obsolescence	-	4
Total	7280	6266

Inventories are valued at the lower of cost arrived at on weighted average basis and net realizable value.

2.11 Trade Receivables

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Secured considered good	-	-
Unsecured considered good	27064	57503
Doubtful	402	402
	27466	57905
Less: Provision for Doubtful Debts	402	402
Total	27064	57503
a) Trade receivables includes amount due from subsidiaries	304	-



- b) Ageing schedule of trade receivables has been given in Note no. 2.53
c) Based on arrangement between company, banks and beneficiaries, the bills of the beneficiaries have been discounted. Accordingly, trade receivables have been disclosed net of bills discounted amounting to ₹ 25892 lakh (P.Y. ₹24807 lakh) (refer note no. 2.50)
d) Trade receivables are net off amount refundable to beneficiaries on account of tariff order of CERC dated 24.01.2022 in respect of Rampur Hydro Power Plant amounting to Nil (P.Y. ₹6677 lakh).
e) Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 notified on 3 June 2022, provides that the outstanding dues of the beneficiaries including late payment surcharge (LPSC) upto the date of the said notification shall be rescheduled upto a maximum period of 46 months in the manner prescribed in the said Rules and no LPSC shall be charged on the outstanding dues from the date of notification subject to application to be made by the beneficiaries in this regard. Trade Receivables include an amount of ₹ 21364 due from JKPCL, one of the beneficiary, who had applied for rescheduling of their of dues for payment in 12 months upto July 2023 under these Rules.
f) JKPCL, one of the beneficiaries, has not renewed the letter of credit (LC) since 2019. However, JKPCL has signed tri-tripartite agreement under payment security mechanism, whereby, the recovery of outstanding dues of CPSE is ensured.

2.12 Cash and Cash Equivalents

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Balances with Banks		
Current Accounts	12746	1676
Term Deposits (having original maturity of upto 3 months)	66	45
	12812	1721
Cheques & Drafts in hand	-	3
Total	12812	1724

2.13 Others Bank Balances

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Earmarked Balance (Unpaid Dividend)	148	140
Margin Money for BG/ Letter of Credit and Pledged deposits	185766	66968
Other Term Deposits(having original maturity of more than 3 months and maturing within 12 months)	104299	213432
Total	290213	280540

2.14 Loans

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Loans to Related Parties		
Loans to Directors		
- Secured considered good	5	15
- Unsecured considered good	-	6
- Doubtful	-	-
	5	21
Loans to Other Related Parties (Including Accrued interest)		
Subsidiaries:		
- Secured considered good	-	-
- Unsecured considered good	9139	2536
- Doubtful	-	-
	9139	2536
Other Loans		
Loan to officers of the company:		
- Secured considered good	225	71
- Unsecured considered good	76	15
- Doubtful	-	-
	301	86
Loans to other Employees		
- Secured considered good	1157	1176
- Unsecured considered good	121	185
- Doubtful	-	-
	1278	1361
Other Advances:		
Unsecured considered good		
-Directors	4	21
-Officers of the Company	86	87
-Other Employees	591	601
	681	708
Total Loans	11404	4713



2.15 Other Financial Assets

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Security Deposits	-	-
Interest Accrued but not due on deposits with Banks	4137	4827
Unbilled Revenue	40756	25093
Amount Recoverable from Contractors & Suppliers	10576	10517
Amount Receivable from Subsidiaries/ Joint Ventures *	63156	7447
Amount Receivable from Others	209	353
Total Other Financial Assets	118834	48236

* The company has incorporated a wholly owned subsidiary SJVN Green Energy Limited (SGEL) on 30.03.2022 for expanding/managing the renewal energy business. The board of Directors of the company has approved the transfer of under construction/ development renewal energy projects of the company to SGEL which were awarded to SJVN Limited. Out of these projects, Assets of five Projects have been transferred to SGEL for which the Business Transfer Agreements (BTAs) had been signed between SJVN and SGEL. BTAs for remaining projects could not be signed pending certain conditions/ formalities such as transfer of PPAs etc. in the name of SGEL. These projects shall be transferred to SGEL on signing of BTAs after completion of these formalities. Amount receivable from subsidiaries/ Joint Ventures includes an amount of ₹ 56119 lakh (P.Y. Nil) in respect of amount receivable from SGEL for transfer of renewal energy projects.

2.16 Other Current Assets

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Advances other than Capital Advances		
Other Advances		
Advances to Officers of the Company	-	-
Advances to other employees of the Company	4	1
	4	1
Advance to Suppliers and Contractors		
-Secured Considered Good	-	-
- Unsecured, considered good	95	193
-Doubtful	9	9
	104	202
Less Provision for Doubtful Advances	9	9
	95	193
Advances to Govt Departments		
-Secured Considered Good		
- Unsecured, considered good *	9389	9106
-Doubtful	-	-
	9389	9106
Less Provision for Expenditure	1273	1273
	8116	7833
Advances to Others		
-Secured Considered Good	-	-
- Unsecured, considered good	448	202
-Doubtful	-	-
	448	202
Less: Provision for Doubtful Advances	-	-
	448	202
Others		
Surplus Stores/Equipments	1086	674
Less: Provision for Shortage/ Obsolescence	961	644
	125	30
Prepaid Expenses	4542	4487
Deferred Employees Benefits Expense	326	335
Amount Recoverable from Ex-Employees	-	2
Less: Provisions	-	2
	-	-
Other	13	9
Total	13669	13090

Includes an amount of ₹ 1144 lakh (P.Y.: ₹ 1144 lakh) paid to Govt of Himachal Pradesh (GoHP) during F.Y. 2014-15 towards lease rent for diverted forest land of RHPS which has been protested by the company and included in amount recoverable from Government Departments. As per letter no F.NO II-79/2005-FC dated 01.06.2006 and F.NO II-306/2014-FC dated 08.08.2014 of Ministry of Environment and Forest (FC Division) GOI, no fresh conditions can be imposed by the States without the prior approval of the Central Government subsequent to the approval granted by the Central Government under the Forest (Conservation) Act 1980. As no fresh condition imposed by the Central Government to charge the lease amount and execute the lease deed, the amount has been shown under Other Advances.



2.17 Assets held-for-sale

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Land	506	506
Buildings	1119	1102
Total	1625	1607

Land and buildings which are underutilised and not yielded the appropriate returns have been transferred from Property, plant & equipments and classified as held for sale. The process of sale of these assets is under process and likely to be completed within next twelve months.

2.18 Regulatory Deferral Account Debit Balance

As at March 31, 2023

(₹ Lakh)

	As at April 1,2022	Movement during the year	As at March 31, 2023
Foreign exchange rate variation on foreign currency loans	26693	7195	33888
Employee benefits expense (pay revision)	23772	(14827)	8945
Interest on arbitration award	28341	6384	34725
O&M / Security Expenses recoverable in tariff	2054	-	2054
Total	80860	(1248)	79612

As at March 31, 2022

(₹ Lakh)

	As at April 1,2021	Movement during the year	As at March 31, 2022
Foreign exchange rate variation on foreign currency loans	25151	1542	26693
Employee benefits expense (pay revision)	23772	-	23772
Interest on arbitration award	25782	2559	28341
O&M / Security Expenses recoverable in tariff	11465	(9411)	2054
Total	86170	(5310)	80860

Disclosures as per Ind AS 114 'Regulatory Deferral Accounts' are provided in Note no. 2.52

2.19 Equity Share Capital

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
AUTHORISED				
Equity Shares of par value ₹ 10/- each	7000000000	700000	7000000000	700000
ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity Shares of par value ₹ 10/- each fully paid up	3929795175	392980	3929795175	392980
Total		392980		392980

The Company has only one class of equity shares having par value of ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at the meeting of shareholders.

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

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	%	No. of shares	%
President of India	2354802133	59.92	2354802133	59.92
Governor of Himachal Pradesh	1055014800	26.85	1055014800	26.85

2.19.2 20,68,31,325 equity shares of ₹ 10 each were bought back by the company during the Financial Year 2017-18

2.19.3 Details of shareholding of promoters : As at March 31, 2023

Promoter Name	As at March 31, 2023		
	No. of shares	% of total shares	% Change during the year
President of India	2354802133	59.92	-
Governor of Himachal Pradesh	1055014800	26.85	-

As at March 31, 2022

Promoter Name	As at March 31, 2022		
	No. of shares	% of total shares	% Change during the year
President of India	2354802133	59.92	-
Governor of Himachal Pradesh	1055014800	26.85	-



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

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
Number of shares at the beginning	3929795175	392980	3929795175	392980
Number of shares at the end	3929795175	392980	3929795175	392980

2.19.5 Dividends:

Dividends Paid and recognised during the year

Particulars	As at March 31, 2023	As at March 31, 2022
Final dividend for the F.Y. 2021-22 @ ₹0.55 (P.Y. ₹0.40) per share	21614	15719
Interim dividend for the F.Y. 2022-23 @ ₹1.15 (P.Y. ₹1.15) per share	45193	45193
	66807	60912

Dividends not recognised at the end of the reporting period

Particulars	As at March 31, 2023	As at March 31, 2022
The Board of Directors of the company have proposed final dividend for the year 2022-23 @ ₹0.62 (P.Y. ₹0.55) per share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	24365	21614
	24365	21614

2.20 Other Equity

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
A Capital Redemption Reserve*		
Opening Balance	20683	20683
Closing Balance	20683	20683
B Retained Earnings		
Opening Balance	899198	862521
Add: Profit for the Year as per Statement of Profit and Loss	136345	97752
Add: Other comprehensive income during the year	(202)	(163)
Less: Dividends		
Final Dividend Paid	21614	15719
Interim Dividend Paid	45193	45193
Closing Balance	968534	899198
Total Other Equity(A+ B)	989217	919881

* Capital Redemption Reserve has been created from distributable profit for the buyback of the shares in the FY 2017-18. There is no movement in the Capital Redemption Reserve during the year.

2.21 Borrowings

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
A Bonds/ Debentures		
Unsecured		
6.10% unsecured non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at face value on September 29, 2026 (Series 1)	100000	100000
Total (A)	100000	100000
B Term Loans		
From Banks:		
Secured		
Rupee Term Loans		
Punjab National Bank (refer footnote (a) below)	-	20874
Repayable in quarterly instalments from June 2024 to March 2035 at floating (MCLR with annual reset). Prepayment of full loan amount (P.Y. 12381) has been made during the year.		
HDFC Bank Limited (refer footnote (b) below)	4444	8894
Repayable in quarterly instalments from September 2020 to December 2023, carrying interest @ 5.90% p.a. (linked with Repo rate)		
Himachal Pradesh State Co-operative Bank Limited (refer footnote (c) below)	18250	-
Repayable in quarterly instalments from June 2027 to March 2042, carrying interest @ 3 Months declared MCLR of SBI plus 0.06% p.a.		
State Bank of India (refer footnote (d) below)	27717	-
Repayable in quarterly instalments from June 2027 to March 2045, carrying interest @ 3Months MCLR plus 0.25% p.a.		



	As At March 31, 2023	As At March 31, 2022
Unsecured		
Foreign Currency Loans		
Punjab National Bank, Dubai Repayable after 5 years from the date of drawl starting w.e.f. september 2026 carrying interest @ 6M LIBOR+spread 1.30% p.a.	243164	223028
Rupee Term Loans		
Bank of Baroda Repayable in monthly instalments from April 2023 to September 2037 carrying interest @ overnight MCLR plus spread of 0.25% p.a.	139566	-
From others:		
Unsecured		
Foreign Currency Loans		
World Bank (IBRD) (Guaranteed by Govt of India) Repayable in 30 half yearly instalments from May 2013 to November 2027, carrying interest@ SOFR+variable spread)	142392	153440
Total (B)	575533	406236
Total (A+B)	675533	506236
Less: Current maturities of long term debts		
Rupee term loans from banks- secured	4444	4456
Rupee term loans from banks- unsecured	6240	-
Foreign Currency loans from world bank	25337	22085
Total	639512	479695

(a) Secured by equitable mortgage/hypothecation of all present and future immovable/ movable preperities as first charge of Naitwar Mori HEP

(b) Secured by equitable mortgage/hypothecation of all present and future fixed assets and book debts as first charge of Rampur HPS.

(c) Secured by mortgage/hypothecation of all assets of Dhaulasidh Hydro Electric Project.

(d) Secured by first charge by way of mortgage/hypothecation/ assignment or otherwise on all assets of Luhri Hydro Electric Project Stage -1.

(e) Collateral security by way of first charge on Escrow Account, debt service reserve and on future cash flow of the company related to the PPAs of NJHPS with Haryana, Chandigarh and Delhi.

There has been no defaults in repayment of any of the loans or interest thereon at the end of the year.

2.22 Lease Liabilities

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Lease liabilities - Non current Disclosure as per Ind AS-116 has been given under note no. 2.54	640	583

2.23 Other Financial Liabilities

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Deposits, Retention Money from Contractors and Others Total	1	1

2.24 Non Current Provisions

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Unfunded Employee Benefits Total	11802	10634

Disclosures as per Ind AS 19 'Employee benefits' are provided in Note no. 2.43

2.25 Other non-current Liabilities

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Income Received in Advance:		
- Advance Against Depreciation	67715	70940
Deferred Revenue:		
- Government Grant*	2000	1000
- Deferred Income from Foreign Currency Fluctuation	968	999
Total	70683	72939

*Grant/ Budgetary support has been received from Government of India for enabling infrasturcture of Luhri Stage-1 HEP & Dhaulasidh Hydro Electric Project.



2.31 Current -Provisions

	(₹ Lakh)	
Particulars	As At March 31, 2023	As At March 31, 2022
Unfunded Employee Benefits	1474	1093
Performance Related Pay	6453	4267
Interest on Arbitration Awards	49882	43498
Others	824	824
Total	58633	49682

Disclosures as per Ind AS 19 'Employee benefits' are provided in Note no. 2.43

Disclosures required by Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' are provided in Note no. 2.50

2.32 Revenue from Operations

	(₹ Lakh)	
	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Sales		
Energy Sales	278747	238489
Less:		
Regulated Power Adjustment- Margin	383	-
Regulated Power Adjustment- Expenses	53	-
	278311	238489
Advance Against Depreciation	3224	3224
	281535	241713
Less: Rebate to Customers	738	845
	280797	240868
Revenue from Power Trading	17	-
Consultancy Income	959	264
Total	281773	241132
Other operating revenues		
Interest from Beneficiaries	11694	798
Others	74	266
Total	11768	1064
Total Revenue from Operations	293541	242196

The CERC notified the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 vide Order dated 7th March 2019 (Regulations, 2019) for determination of tariff for the the period 2019-24. CERC has approved the tariff of hydro power plants as per above regulations. Accordingly, sales of hydro power plants have been recognised in accordance with the tariff approved.

Energy sales and interest from beneficiaries include an amount of ₹ 27033 lakh and ₹ 11694 lakh respectively pertaining to earlier years on receipt of tariff orders of hydro power plants for the period 2014-19 and 2019-24 (Previous year: ₹(6846) lakh and ₹798 lakh).

2.33 Other Income

	(₹ Lakh)	
	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Interest Income		
Banks	13920	9612
Employees	1022	1141
Contractors	656	550
Others (refer footnote to note no. 2.35)	3290	95
	18888	11398
Other Non-Operating Income		
Late Payment Surcharge From Beneficiaries	3406	6141
Receipt of Maintenance of ICF	287	262
Dividend from Subsidiary / Associate / Joint Venture	315	139
Foreign Currency Fluctuation Adjustment	32	32
Sale of Scrap	131	183
Sales of Carbon Credit	245	-
Gain on transfer of Shares in Joint Venture (refer footnote to note no.2.5)	11428	-
Miscellaneous Income #	1611	2203
Total	36343	20358
# Details of Miscellaneous Income:		
Hire Rental Charges from Contractor	1	-
Profit on Sale of Fixed Assets	142	34
Rent Recovery from Staff/Others	114	89
Excess Provision Written Back	892	495
Liquidated Damages (LD) recovered	263	1077
Claim Received from Insurance Company	-	336
Other Misc. Receipts	199	172
Total	1611	2203



2.34 Employee Benefits Expense

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Salaries, Wages, Allowances and Benefits	23011	22744
Contribution to Provident and Other Funds	2795	3185
Leave Salary and Pension Contribution *	92	61
Welfare Expenses	3587	2951
	29485	28941
	29485	28941

* Leave Salary and Pension Contribution is on account of retirement benefits of deputationists working in the company payable to their parent organisations.

Disclosures as per Ind AS 19 'Employee benefits' are provided in Note no. 2.43

2.35 Finance Costs

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Interest cost on financial liabilities measured at amortized cost:		
Non- Convertible Bonds	3673	2297
Working Capital Loan	1460	1174
Foreign Currency Loans	11920	2260
Rupee Term Loans	3514	676
Commercial Papers	-	387
	20567	6794
Exchange differences regarded as adjustment to borrowing costs.	20394	7353
Other Borrowing Costs		
Guarantee fees to Government of India	2176	1862
Finance charges on lease liabilities	70	69
Other finance charges	16	56
Total	43223	16134

Finance Cost includes an amount of Rs. ₹ 2342 lakh on account of borrowed fund used for renewal energy projects of SJVN Green Energy Limited (a wholly owned subsidiary of SJVN Ltd.). The same has been recovered/ recoverable from SJVN Green Energy Limited and included in Other Income.

2.36 Depreciation and Amortization Expense

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
On property, plant and equipment (Note 2.1)*	38426	39350
On intangible assets (Note 2.3)	1446	1579
Less: Depreciation attributable to Construction (Note 2.2.1)	551	500
Less: Depreciation written back	262	-
Depreciation Charged to Statement of Profit & Loss	39059	40429
* Includes depreciation/ amortization of ROU assets	1535	1545



2.37 Other Expenses

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Repair and Maintenance:		
Buildings	1662	1417
Roads	308	174
Plant & Machinery	2301	1636
Office Equipments & Furnitures	28	23
Civil Works	1266	939
Electro Mechanical Works	3163	3554
Vehicles	115	118
Others	955	845
		9798
		8707
Rent		51
		4
Rates & Taxes		15
		21
Insurance		5625
		5212
Security Expenses		5958
		5291
Electricity Charges	1197	
		1208
Less:- Recovered from Employees & Contractors	85	
		52
		1156
Research and Development		226
		-
Travelling & Conveyance		580
		245
Training and Recruitment Expenses	2205	
		1335
Less:- Cost of Application Forms Received	50	
		35
		1299
Legal Expenses		376
		175
Professional and Consultancy Charges		946
		979
Communication Expenses		423
		410
Printing & Stationery		124
		87
Payment to Auditors (refer note no. 2.60)		49
		31
Advertisement & Publicity		986
		383
EDP Expenses		800
		471
Hiring of Vehicles		451
		441
Entertainment Expenses		109
		111
Expenses on Transit Camps		104
		85
Books & Periodicals		22
		24
Donation to PM CARES Fund		-
		1300
Corporate Social Responsibility Expenses		6023
		5075
Loss on Disposal/Write off of Fixed Assets		904
		362
Debts/ Advances written Off		-
		404
Directors Sitting Fees		28
		19
Business Promotion Expenses		379
		130
Fees and subscription		768
		775
Environment & Ecology Expenses		142
		116
Tender Expenses	92	
		189
Less: Receipts from Sale of Tenders	4	
		11
		178
Interest on Arbitration / Court cases		88
		3421
Interest to Beneficiaries *		-
		3616
Miscellaneous Expenses		206
		235
Exchange Rate Variation		48
		65
Expenses on Regulated Power	53	
		-
Less: Regulated Power Adjustment - Sales	53	
		-
		-
Rehabilitation Expenses		7
		171
Total		41924
Stores Consumption Included in Repairs and Maintenance		1647
		1679

Interest to beneficiaries during the previous year was on account of receipt of tariff orders of hydro power stations.

2.38 Exceptional Items

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Projects written off	-	2326
Interest on arbitration award *	2963	-
Total	2963	2326

* On account of interest pertaining to previous years on arbitration awards received during the year.



2.39 Net movement in regulatory deferral account balances (net of tax)

	(₹ Lakh)	
	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Regulatory Deferral Account Debit Balance:		
Foreign exchange rate variation on foreign currency loans	7195	1542
Employee benefits expense (pay revision)	(14827)	-
Interest on arbitration award	6384	2559
O&M / Security Expenses recoverable in tariff	-	(9411)
Total	(1248)	(5310)
Tax on net movement in regulatory deferral account balances	(218)	(928)
Net movement in regulatory deferral account balances (net of tax)	(1030)	(4382)

2.40 Disclosure on Financial Instruments and Risk Management

(1) Fair Value Measurement

A) Financial Instruments by category

Particulars	As at March 31, 2023		As at March 31, 2022
	Notes	Amortised Cost	Amortised Cost
Financial assets			
Non-current Financial assets			
(i) Non-current investments *			
-Equity Instrument (Unquoted)	2.5	593145	492188
(ii) Loans (to employee & others)	2.6	9364	9684
(iii) Others:			
-Security Deposits	2.7	333	327
-Bank Deposits with more than 12 Months Maturity (including accrued interest)	2.7	19514	18321
Current Financial assets			
(i) Trade receivables	2.11	27064	57503
(ii) Cash and cash equivalents	2.12	12812	1724
(iii) Bank balances other than (iii) above	2.13	290213	280540
(iv) Short-term loans (to employee & others)	2.14	11404	4713
(v) others :			
(a) Amount recoverable from supplier & contractors	2.15	10576	10517
(b) interest receivable on investments and bank deposits	2.15	4137	4827
(c) other receivables	2.15	104121	32892
Total Financial Assets		1082683	913236
Financial Liabilities			
Non Current Financial Liabilities			
(i) Long -Term Borrowings			
a) Non-convertible redeemable bonds	2.21	100000	100000
b) Term Loan From Banks	2.21	422457	248340
c) Term Loan from others	2.21	117055	131355
(ii) Lease Liabilities	2.22	640	583
(iii) Deposits/Retention Money-non current	2.23	1	1
Current Financial Liabilities			
(i) Short-term borrowings	2.26	74501	72359
(ii) Lease liabilities	2.27	553	631
(iii) Trade Payables (MSME)	2.28	666	700
(iv) Trade Payables (other than MSME)	2.28	4004	3016
(v) Other Current financial liabilities			
a) interest accrued but not due on borrowings	2.29	5923	3558
b) Deposits/Retention Money	2.29	17519	13493
c) Liability against Capital Works/Supplies	2.29	35627	39419
d) Other Payables	2.29	5841	13465
Total Financial Liabilities		784787	626920

* At Cost

Note:The company does not classify any financial asset/financial liability at fair value through profit or loss (FVTPL) & fair value through other comprehensive income (FVTOCI).



B) FAIR VALUATION MEASUREMENT

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has to classify its financial instruments into the three levels prescribed under the accounting standards.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and traded bonds that have quoted price. The fair value of all equity instruments including bonds which are traded in the recognised Stock Exchange and money markets are valued using the closing prices as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This includes security deposits/ retention money and loans at below market rates of interest.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Financial Assets/Liabilities measured at amortised cost for which Fair Value are disclosed:

Financial Assets/Liabilities measured at amortised cost for which Fair Value are disclosed:

(₹ Lakh)

	Note No.	As at March 31, 2023			As at March 31, 2022		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
(i) Loans (to employee & others)	2.6 & 2.14		20768			14397	
(ii) Others							
-Bank Deposits with more than 12 Months Maturity (including accrued interest)	2.7		19514			18321	
-Security Deposits	2.7		333			327	
Total Financial Assets		-	40615	-	-	33045	-
Financial Liabilities							
(i) Non-convertible redeemable bonds	2.21	100000			100000		
(ii) Borrowings (Long term & Short term)	2.21 & 2.26		614013			455612	
(iii) Lease liabilities	2.22 & 2.27		1193			1214	
(iv) Deposits/Retention Money (including Current)	2.23 & 2.29		17520			13494	
Total Financial Liabilities		100000	632726		100000	470320	

(ii) Valuation techniques and process used to determine fair values

The Company values financial assets or financial liabilities using the best and most relevant data available. Specific valuation techniques used to determine fair value of financial instruments includes:

- Use of Quoted market price or dealer quotes for similar instruments.
- Fair value of remaining financial instruments is determined using discounted cash flow analysis.

The company has a team that performs the valuation of financial assets and liabilities required for financial reporting purpose.

(iii) Fair value of Financial Assets and liabilities measured at Amortised Cost

(₹ Lakh)

	Note No.	As at March 31, 2023		As at March 31, 2022	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets at Amortised Cost					
(i) Loans	2.6 & 2.14	23767	20768	16275	14397
(ii) Bank Deposits with more than 12 Months Maturity	2.7	19514	19514	18321	18321
(iii) Security Deposits	2.7	333	333	327	327
Total Financial Assets		43614	40615	34923	33045
Financial Liabilities at Amortised Cost					
(i) Non-convertible redeemable bonds	2.21	100000	100000	100000	100000
(ii) Long-term borrowings (including Current Maturity and interest)	2.21 & 2.26	614013	614013	455612	455612
(iii) Lease liabilities	2.22 & 2.27	1193	1193	1214	1214
(iv) Deposits/Retention Money	2.23 & 2.29	17520	17520	13494	13494
Total Financial Liabilities		732726	732726	470320	470320

Significant Estimates:

Note:

1. The Carrying amount of current investments, Trade and other receivables, Cash and cash equivalents, Short-term loans and advances, Short term borrowings, Trade payables and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.
2. For financial assets and financial liabilities measured at fair value, the carrying amounts are equal to the fair value.



(2) Financial Risk Management

Financial risk factors

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company has loan and other receivables, trade and other receivables, investments and cash and short-term deposits that arise directly from its operations. The Company's activities expose it to a variety of financial risks:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash & Cash equivalents, Trade receivables and financial assets measured at amortised cost	Aging analysis	diversification of bank deposits, credit limits and letter of credit
Liquidity Risk	Borrowings and other facilities	Rolling cash flow forecasts	availability of committed credit lines and borrowing facilities
Market Risk- Interest rate	Long term borrowings at variable rates	sensitivity analysis	1. Diversification of fixed rate and floating rates. 2. Refinancing 3. Actual interest is recovered through tariff as per CERC Regulation
Market Risk- foreign exchange	Recognised financial liabilities not denominated in INR	sensitivity analysis	Foreign exchange rate variation on loans is recovered through tariff as per CERC regulation

i) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks and financial institutions.

ii) Liquidity risk.

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at 31st March, 2023 and 31st March, 2022.

The company operates mainly in regulated environment. Tariff hydro power stations of the company is fixed by the Central Electricity Regulatory Commission (CERC) through Annual Fixed Charges (AFC) comprising the following five components: 1. Return on Equity (RoE), 2. Depreciation, 3. Interest on Loans, 4. Operation & Maintenance Expenses and 5. Interest on Working Capital Loans. In addition to the above, Foreign Currency Exchange Variation and Taxes are also recoverable from Beneficiaries in terms of the Tariff Regulations. Hence variation in interest rate, currency exchange rate variations and other price risk variations are recoverable from tariff and do not impact the profitability of the company.

The company's risk management is carried out as per policies approved by Board of Directors from time to time.

(A) Credit Risk

The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

a) Trade Receivables

The Company extends credit to customers in normal course of business. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are mainly state government authorities and operate in largely independent markets.

CERC tariff regulations 2019-24 allows the Company to raise bills on beneficiaries for late-payment surcharge which adequately compensates the Company for time value of money arising due to delay in payment. Further, the fact that beneficiaries are primarily State Governments/ State Discoms and considering the historical credit loss experience for trade receivables, the Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money due to delay in realization of trade receivables.

b) Financial assets at amortised cost

Employee Loans: The Company has given loans to employees at concessional rates as per the Company's policy which have been measured at amortised cost at Balance Sheet date. The recovery of the loan is on fixed instalment basis from the monthly salary of the employees. Management has assessed the past data and does not envisage any probability of default on these loans.

c) Financial instruments and cash deposits

The Company considers factors such as track record, size/networth of the institution/bank, market reputation and service standards and limits and policies as approved by the board of directors to select the banks with which balances and deposits are maintained. The Company invests surplus cash in short term deposits with scheduled Banks.

B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.



The Company's objective is to maintain optimum levels of liquidity at all times to meet its cash and collateral requirements. The Company relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its need for funds. The current committed lines of credit and internal accruals are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet capital expenditure and operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period.

Particulars	(₹ Lakh)	
	As at March 31, 2023	As at March 31, 2022
Floating rate borrowings		
Term loans	216402	215228
Foreign currency loans	91710	152340
Bank Overdraft	30128	4044
Loans against Term Deposits	111043	16602
Total	449283	388214

(ii) Maturities of Financial Liabilities:

The table below provides undiscounted cash flows towards company's financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date. Balance due within 1 year is equal to their carrying balances as the impact of discounting is not significant. (refer Note 2.21, 2.22, 2.23, 2.26 2.27, 2.28 and 2.29 of balance sheet)

For the Year Ended March 31, 2023

Contractual maturities of financial liabilities	Note No.	Outstanding Debt As at March 31, 2023	(₹ Lakh)			
			Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
1. Non-convertible redeemable bonds	2.21	100000	-	-	100000	-
2. Long term & Short Borrowings (including interest accrued but not due)	2.21 , 2.26 & 2.30	619936	80424	70566	335291	133655
3. Lease liabilities	2.22 & 2.27	1193	553	283	76	281
4. Other financial Liabilities	2.23 & 2.29	58988	58987	1	-	-
5. Trade Payables	2.28	4670	4670	-	-	-
Total Financial Liabilities		784787	144634	70850	435367	133936

For the Year Ended March 31, 2022

Contractual maturities of financial liabilities	Note No.	Outstanding Debt As at March 31, 2022	(₹ Lakh)			
			Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Year & Less than 5 Years	More than 5 Year
1. Non-convertible redeemable bonds		100000	-	-	100000	-
2. Long term & Short Borrowings (including interest accrued but not due)	2.21 , 2.26 & 2.30	455612	75917	55482	282794	41419
3. Lease liabilities	2.22 & 2.27	1214	631	292	207	84
4. Other financial Liabilities	2.23 & 2.29	66378	66377	1	-	-
5. Trade Payables	2.28	3716	3716	-	-	-
Total Financial Liabilities		626920	146641	55775	383001	41503

(C) Market Risk:

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Company's activities expose it to a variety of financial risks, including the effects of changes in interest rates.

(i) Interest rate risk and sensitivity

The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long term debt obligations with floating interest rates and any changes in the interest rates environment may impact future cost of borrowing.

The exposure of the company's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	(₹ Lakh)	
	As at March 31, 2023	As at March 31, 2022
Variable Rate Borrowings (FC)	385556	376468
Variable Rate Borrowings (INR)	189977	29768
Total	575533	406236



Interest Rate Sensitivity Analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings .

Particulars	₹ Lakh	
	As at March 31, 2023	As at March 31, 2022
Effect on Profit Before Tax with rise of 25 basis points	(1439)	(1016)
Effect on Profit Before Tax with rise of 50 basis points	(2878)	(2031)

(ii) Price Risk:

(a) Exposure

The company has no exposure to price risk as there is no investment in equity shares which are listed in recognised stock exchange and are publicly traded in the stock exchanges.

(iii) Foreign Currency Risk

The company is compensated for variability in foreign currency exchange rate through recovery by way of tariff adjustments under the CERC Tariff Regulations

(a) Foreign Currency Risk Exposure:

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows :

Particulars	₹ Lakh	
	As at March 31, 2023	As at March 31, 2022
Foreign Currency	USD	USD
Net Exposure to foreign currency risk(asset)	-	-
Financial Liabilities:		
Foreign currency loan including interest accrued but not due(₹ in Lakh)	388095	376906
Net Exposure to foreign currency risk(liabilities)	388095	376906

The above foreign currency risk exposure is for foreign currency loans taken for construction of Rampur Hydro Power Station from World Bank. As per accounting policy of the company transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date. Non-monetary items denominated in foreign currency are reported at the exchange rate prevailing at the date of transaction.

Exchange differences arising on translation or settlement of monetary items are recognised in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of fixed assets entered up to March 31, 2016 are adjusted to carrying cost of fixed assets.

The Company has elected to avail the exemption available under IND AS 101, with regard to continuation of policy for accounting of exchange differences arising from translation of long term foreign currency monetary liabilities. However, there is no impact on the Profit & Loss of the company due to change in foreign currency rates as the same is the pass through item to the beneficiaries as per CERC guidelines applicable to the period 2019-24.

(3) Capital Management

(a) Capital Risk Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended 31st March, 2023.

The Company monitors capital using Debt Equity ratio, which is net debt divided by total capital. The Debt Equity ratio are as follows:

Statement of Debt Equity Ratio

Particulars	₹ Lakh	
	As at March 31, 2023	As at March 31, 2022
(a) Total Debt	719936	555612
(b) Total Capital	1382197	1312861
Debt Equity Ratio (a/b)	0.52	0.42

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

(b) Loan Covenants:

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

1. Company shall maintain credit rating AA and if rating comes down, rate of interest shall be increased by 65 basis point for each notch below AA rating in accordance with the applicable rates.
2. Debt to net worth should not exceed 2:1.

During the year the company has complied with the above loan covenants.



(c) Dividends:

Particulars	(₹ Lakh)	
	As at March 31, 2023	As at March 31, 2022
(i) Equity Shares	21614	15719
Final dividend for the year 2021-22 of INR 0.55 per fully paid share approved in Sep-2022. (INR 0.40 per fully paid share for FY 2020-21 approved in Sep-2021).		
Interim dividend for the year ended 31st March, 2023 of INR 1.15 per fully paid share (For the year ended 31st March 2022- INR 1.15 per fully paid share).	45193	45193
(ii) Dividend not recognised at the end of the reporting period	24365	21614

2.41 Disclosure as per Ind AS 1 “Presentation of financial statements

a) Changes in significant accounting policies:

During the year, following changes to the accounting policies have been made:

- i) Policy no. 1.21 ‘Depreciation and amortization’ has been modified during the year. The impact of the same has resulted in decrease in depreciation expense by ₹ 1851 lakh and increase in net block of Property , plant and equipment (PPE) by the same amount.

b) Reclassification and comparative figures

Certain reclassifications have been made to the comparative period’s financial statements to enhance comparability with the current year’s financial statements.

As a result, certain line items have been reclassified in the balance sheet, the details of which are as under:

Items of Balance Sheet before and after reclassification as at 31st March 2022

Sr. No.	Particulars	(₹ Lakh)		
		Amount before reclassification	Reclassification	Amount after reclassification
1	Non-current assets - Other non-current assets	55996	177	56173
2	Current assets - Other current assets	13267	(177)	13090

2.42 Disclosures as per Ind AS 12 “Income taxes’

a) Income tax expense

i) Income tax recognised in the statement of profit and loss

Particulars	(₹ Lakh)	
	For the year ended	
	31 March 2023	31 March 2022
Current tax expense		
Current Year	29700	22909
Adjustment relating to earlier years	1559	-
Pertaining to regulatory deferral account balances	(218)	(928)
Total Current tax expense	31041	21981

ii) Income tax recognized in other comprehensive income

Particulars	(₹ Lakh)					
	For the year ended					
	31 March 2023			31 March 2022		
	Before Tax	Tax expense / (benefit)	Net of Tax	Before Tax	Tax expense / (benefit)	Net of Tax
Net actuarial gains / (losses) on defined benefit plans	(245)	(43)	(202)	(197)	(34)	(163)
Total	(245)	(43)	(202)	(197)	(34)	(163)



iii) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate.

(₹ Lakh)

Particulars	For the year ended	
	31 March 2023	31 March 2022
Profit before tax including movement in regulatory deferral account balances	171965	129034
Tax using the Company's domestic tax rate @ 34.944% (P.Y 34.944%)	60091	45090
Tax effect of :		
Deductible tax expenses	(3226)	(3078)
Tax deductions under Chapter VI-A	(25095)	(14989)
Income Taxable at special rates	(603)	-
Deferred tax expenses / (income)	4579	9301
Adjustments relating to earlier years	1559	-
Minimum alternate tax adjustment	(1685)	(5042)
Total tax expense recognized in the statement of profit and loss	35620	31282

- b) In pursuance to section 115 BAA of the Income Tax Act, 1961 announced by Govt. Of India through Taxation Laws (Amendment) Act, 2019, the company has an option for a lower tax rate by foregoing certain exemptions/deductions. The company has not opted for this option as the company has sufficient MAT credit available to it in the future and continues to recognise the taxes on income as per the earlier provisions.

2.43 Disclosure under the provisions of IND-AS 19 'Employee Benefits':-

a) Defined Contribution plans:

(i) Pension:

The company has Defined Contribution Pension Scheme and is contributing to the National Pension System(NPS). The liability for the same is recognized on accrual basis.

b) Defined benefit plans:

(i) Employers contribution to Provident Fund:

The Company pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. The obligation of the company is limited to such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. The liability for the same is recognized on the basis of actuarial valuation. EPFO has not yet notified the interest rate on the employees provident fund for the F.Y. 2022-23. Pending notification of the rate by the Government, actuarial valuation has been carried out considering the provisional interest rate of 8.15% recommended by Ministry of Labour. However, actual obligation, if any shall be ascertained and paid to the trust after the notification of the rate by EPFO. Further, contribution to employee pension scheme has been paid to the appropriate authorities.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the provident fund plan as at balance sheet date:

(₹ Lakh)

Particulars	As at March 31,2023	As at March 31,2022
Net defined benefit (asset) / liability – current	(130)	(279)

Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Opening balance	74185	66427	(74464)	(68103)	(279)	(1676)
Adjustment made in plan assets after finalization of previous report	-	-	626	1911	626	1911
Adjusted Opening Balance (A)	74185	66427	(73838)	(66192)	347	235
Current service cost recognised in statement of profit and loss *	2137	1964	-	-	2137	1964
Interest cost/(income)	6201	5474	(6460)	(6189)	(259)	(715)
Total (B)	8338	7438	(6460)	(6189)	1878	1249
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(8)	(13)	-	-	(8)	(13)
Experience adjustment	(300)	109	-	-	(300)	109
Return on Plan Assets Excluding Interest Income	-	-	90	105	90	105
Total (C)	(308)	96	90	105	(218)	201
Others						
Contributions by plan participants / employees	5504	5614	(5504)	(5614)	-	-
Employer contribution	-	-	(2137)	(1964)	(2137)	(1964)
Benefits Paid	(5020)	(5653)	5020	5653	-	-
Settlements/Transfer In	118	263	(118)	(263)	-	-
Total (D)	602	224	(2739)	(2188)	(2137)	(1964)
Closing Balance (A+B+C+D)	82817	74185	(82947)	(74464)	(130)	(279)



*Out of the above an amount of ₹ 715 Lakh (P.Y.: ₹ 302 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 283 Lakh (P.Y.: ₹ 122 Lakh) is recoverable from subsidiaries and joint venture companies.

As per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Company has no right to the benefits either in the form of refund from the plan or lower future contribution to the plan towards the net surplus of ₹ 130 Lakh (P.Y.: ₹ 279 Lakh) determined through actuarial valuation. Accordingly, Company has not recognised the surplus as an asset, and the actuarial gains in 'Other Comprehensive Income', as these pertain to the Provident Fund Trust and not to the Company.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31,2023		March 31,2022	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	82817		74185	
2	Change in discount rate by 0.5%	(11)	11	(9)	10

(ii) Gratuity:

The Company has a defined benefit Gratuity Plan, which is regulated as per the provisions of Payment of Gratuity Act, 1972. The scheme is funded by the company and is managed by a separate trust. The liability for the same is recognized on the basis of actuarial valuation.

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

(₹ Lakh)

Particulars	As at March 31,2023	As at March 31,2022
Net defined benefit (asset) / liability – Current (Funded)	161	341

Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Opening balance	9397	9227	(9056)	(8630)	341	597
Adjustment made in plan assets after finalization of previous report	-	-	(341)	(597)	(341)	(597)
Adjusted Opening Balance (A)	9397	9227	(9397)	(9227)	-	-
Included in profit or loss for the year:						
Current service cost	493	509	-	-	493	509
Past service cost	-	-	-	-	-	-
Interest cost/(income)	658	623	(686)	(653)	(28)	(30)
Total amount recognised in profit or loss for the year * (B)	1151	1132	(686)	(653)	465	479
Included in other comprehensive income:						
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(305)	(197)	-	-	(305)	(197)
Experience adjustment	1	91	-	-	1	91
Return on Plan Assets Excluding Interest Income	-	-	-	-	-	-
Total amount recognised in other comprehensive income* (C)	(304)	(106)	-	-	(304)	(106)
Others						
Contribution by Employer	-	-	-	-	-	-
Acquisition of asset from Deputation / Contract Employee	31	-	(31)	(32)	-	(32)
Benefits Paid	(614)	(856)	614	856	-	-
Total (D)	(583)	(856)	583	824	-	(32)
Closing Balance (A+B+C+D)	9661	9397	(9500)	(9056)	161	341

* Out of the above an amount of ₹ 25 Lakh (P.Y.: ₹ 46 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 23 Lakh (P.Y.: ₹ 44 Lakh) is recoverable from subsidiaries and joint venture companies.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31,2023		March 31,2022	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	9661		9397	
2	Change in discount rate by 0.5%	(357)	384	(373)	402
3	Change in Salary increase rate by 0.5%	78	(87)	96	(109)

(iii) Post retirement medical scheme:

The Company has a Post retirement medical scheme, under which retired employee, spouse and eligible parents of retired employee are provided medical facilities in the Company hospitals/empanelled hospitals/other hospitals. They can also avail treatment as Out-Patient subject to rules and



regulations made by the Company. The scheme is being managed by a separate trust created for the purpose and obligation of the company is to make contribution to the trust based on actuarial valuation. The liability towards the same is recognised on the basis of actuarial valuation.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the post retirement medical scheme and the amounts recognised in the Company's financial statements as at balance sheet date:

(₹ Lakh)

Particulars	As at March 31,2023	As at March 31,2022
Net defined benefit (asset) / liability – Current (Funded) #	1128	866

Includes an amount of ₹ 23 lakh (P.Y.: ₹ 56 lakh) in respect of employees superannuated prior to 01.01.2007

Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Opening balance	9976	8916	(9110)	(8367)	866	549
Adjustment made in plan assets by the insurers after finalization of previous report	-	-	(809)	(511)	(809)	(511)
Adjusted Opening Balance (A)	9976	8916	(9919)	(8878)	57	38
Included in profit or loss for the year:						
Current service cost	508	481	-	-	508	481
Past service cost	-	-	-	-	-	-
Interest cost/(income)	698	602	(622)	(590)	76	12
Total amount recognised in profit or loss for the year * (B)	1206	1083	(622)	(590)	584	493
Included in other comprehensive income:						
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(604)	(313)	-	-	(604)	(313)
Experience adjustment	1095	669	-	-	1095	669
Return on Plan Assets Excluding Interest Income	-	-	-	-	-	-
Total amount recognised in other comprehensive income* (C)	491	356	-	-	491	356
Others						
Contribution by Employer	-	-	-	-	-	-
Benefits Paid	(416)	(379)	412	358	(4)	(21)
Total (D)	(416)	(379)	412	358	(4)	(21)
Closing Balance (A+B+C+D)	11257	9976	(10129)	(9110)	1128	866

*Out of the above an amount of ₹ 142 Lakh (P.Y.: ₹ 104 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 130 Lakh (P.Y.: ₹ 98 Lakh) is recoverable from subsidiaries and joint venture companies.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31,2023		March 31,2022	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	11257		9976	
2	Change in discount rate by 0.5%	(755)	770	(630)	646
3	Change in Medical cost rate by 0.5%	779	(762)	654	(634)

(iv) Baggage Allowance:

Actual cost of shifting from place of duty at which employee is posted at the time of retirement to any other place where he / she may like to settle after retirement is paid as per the rules of the Company. The liability towards the same is recognised on the basis of actuarial valuation.

(₹ Lakh)

Particulars	As at March 31,2023	As at March 31,2022
Net defined benefit (asset) / liability – Current (Non-funded)	27	14
Net defined benefit (asset) / liability – Non-current (Non-funded)	278	236
Total Net defined benefit (asset) / liability - (Non-funded)	305	250



Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation	
	For the year ended	
	31.03.2023	31.03.2022
Opening balance (A)	250	225
Included in profit or loss / EAC for the year :		
Current service cost	18	16
Past service cost	-	-
Interest cost/(income)	18	15
Total amount recognised in profit or loss / EAC for the year * (B)	36	31
Included in other comprehensive income:		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Demographic assumptions	-	-
Financial assumptions	(11)	(6)
Experience adjustment	86	55
Return on Plan Assets Excluding Interest Income	-	-
Total amount recognised in other comprehensive income* (C)	75	49
Others		
Contribution by Employer	-	-
Benefits Paid	(56)	(55)
Total (D)	(56)	(55)
Closing Balance (A+B+C+D)	305	250

*Out of the above an amount of ₹ 14 Lakh (P.Y.: ₹16 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹16 Lakh (P.Y.: ₹ 5 Lakh) is recoverable from subsidiaries and joint venture companies.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31,2023		March 31,2022	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	305		250	
2	Change in discount rate by 0.5%	(14)	15	(12)	12
3	Change in Cost increase rate by 0.5%	15	(14)	12	(12)

(v) Service Reward on Retirement:

Gift at the time of retirement is given to the employee as per the rules of the Company. The liability towards the same is recognised on the basis of actuarial valuation.

(₹ Lakh)

Particulars	As at March 31,2023	As at March 31,2022
Net defined benefit (asset) / liability – Current (Non-funded)	19	14
Net defined benefit (asset) / liability – Non-current (Non-funded)	314	290
Total Net defined benefit (asset) / liability - (Non-funded)	333	304

Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation	
	For the year ended	
	31.03.2023	31.03.2022
Opening balance (A)	304	289
Included in profit or loss / EAC for the year :		
Current service cost	20	19
Past service cost	-	-
Interest cost/(income)	21	19
Total amount recognised in profit or loss / EAC for the year * (B)	41	38
Included in other comprehensive income:		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Demographic assumptions	-	-
Financial assumptions	(12)	(7)
Experience adjustment	34	21
Return on Plan Assets Excluding Interest Income	-	-
Total amount recognised in other comprehensive income* (C)	22	14
Others		
Contribution by Employer	-	-
Benefits Paid	(34)	(37)
Total (D)	(34)	(37)
Closing Balance (A+B+C+D)	333	304



*Out of the above an amount of ₹ 8 Lakh (P.Y.: ₹ 2 Lakh) has been transferred to expenditure attributable to construction period and an amount of ₹ 9 Lakh (P.Y.: ₹ 2 Lakh) is recoverable from subsidiaries.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31,2023		March 31,2022	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	333		304	
2	Change in discount rate by 0.5%	(15)	16	(14)	15
3	Change in Cost increase rate by 0.5%	16	(15)	16	(14)

(vi) Plan Assets

Plan assets comprise the following :

(₹ Lakh)

Particulars	As at March 31,2023			As at March 31,2022		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
State Govt. Securities	35255	-	35255	30993	-	30993
Central Govt. Securities	8016	-	8016	7040	-	7040
Corporate bonds and term deposits	29291	-	29291	27906	-	27906
Equity and equity-linked investments	10708	-	10708	8567	-	8567
Investments with insurance companies	-	18852	18852	-	16930	16930
Others	-	548	548	-	78	78

Actual Return on Plan assets is ₹ 7678 Lakh (P.Y.: ₹ 7327 Lakh)

(vii) Key Actuarial assumptions for Actuarial Valuation:

Particulars	As at March 31,2023	As at March 31,2022
Mortality Table	IALM (2012-14)	IALM (2012-14)
Discount Rate	7.40%	7.00%
Future Salary Increase	6.50%	6.50%

(viii) Risk exposure

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow-

- Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- Medical cost increase- Increase in actual medical cost per retiree will increase the plans liability. Increase in medical cost per retiree rate assumption will also increase the liability.
- Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability
- Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(ix) The expected maturity analysis of Gratuity, TTA/Settlement allowance on retirement, Employee Provident fund, Retirement gifts and Post Retirement Medical Scheme.

(₹ Lakh)

Particulars	Less than a year	Between 1-5 years	Over 5 years	Total
31-March-2023				
Gratuity	1053	3163	5445	9661
TTA/Settlement allowance on retirement (exit)	27	98	180	305
Employee Provident fund	17824	20633	44360	82817
Retirement Gifts/Long service award liability	19	109	205	333
Post Retirement Medical Scheme	495	2451	8311	11257
TOTAL	19418	26454	58501	104373
31-March-2022				
Gratuity	706	3190	5501	9397
TTA/Settlement allowance on retirement (exit)	14	76	160	250
Employee Provident fund	13345	19777	41063	74185
Retirement Gifts/Long service award liability	14	92	198	304
Post Retirement Medical Scheme	317	1795	7864	9976
TOTAL	14396	24930	54786	94112



c) Other Long Term Employee Benefit Plans

The company provides for earned leave benefit and half pay leave to the employees of the company which accrue annually at 30 days and 20 days respectively. Earned leave (EL) and Half pay leave (HPL) are en-cashable subject to limits and other conditions specified for the same. The scheme is un-funded and liability for the same is recognised on the basis of actuarial valuations. During the year, provision amounting to ₹ 1827 Lakh has been made on the basis of actuarial valuation at the year end and debited to statement of profit and loss (P.Y.: ₹ 1648 Lakh).

2.44 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'.

(₹ Lakh)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Amount charged to Statement of Profit and Loss excluding depreciation:		
	- As FERV	48	65
	- As Borrowing Cost	20394	7353
(ii)	Amount charged to Expenditure Attributable to Construction		
	- As FERV	-	-
	- As Borrowing Cost	10776	1343
(iii)	Amount adjusted by addition to carrying amount of fixed assets	-	-

2.45 Disclosure as per Ind AS 23 'Borrowing Cost'

Borrowing costs capitalised during the year is ₹ 19369 Lakh (P.Y: ₹ 4351 Lakh).

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

a) List of Related Parties –

i) Directors & Key Management Personnel:

Sh. Nand Lal Sharma	Chairman and Managing Director (CMD)
Smt. Geeta Kapur	Director (Personnel)
Sh. Surinder Pal Bansal*	Director (Civil)
Sh. Akhileshwar Singh	Director (Finance)
Sh. Sushil Sharma	Director (Electrical)
Sh. Raghuraj Rajendran	Nominee Director, Government of India upto 30.11.2022
Sh. Ajay Tewari	Nominee Director, Government of India w.e.f. 01.12.2022
Sh. Ram Dass Dhiman	Nominee Director, Government of Himachal Pradesh upto 31.12.2022
Sh. Rajeev Sharma	Nominee Director, Government of Himachal Pradesh w.e.f. 21.02.2023
Dr. Udeeta Tyagi	Independent Director
Sh.Saroj Ranjan Sinha	Independent Director
Dr. Danveer Singh Yadav	Independent Director
Dr. Shashikant Jagannath Wani	Independent Director w.e.f. 13.03.2023
Sh. Soumendra Das	Company Secretary

*Sh. Surinder Pal Bansal is currently under suspension w.e.f 28th July, 2022 vide Ministry of Power , Govt. of India order dated 28th July,2022.

ii) Entities where control / significant influence exists - Subsidiaries

Name of Entity	% of Shareholding/ voting Power			
	Principal Place of Operation / Country of Incorporation	Principal activities	As at March 31, 2023	As at March 31, 2022
SJVN Arun-3 Power Development Company Pvt. Ltd (Incorporated in Nepal)	Nepal	Power Generation	100%	100%
SJVN Thermal Pvt. Ltd (Incorporated in India)	India	Power Generation	100%	100%
SJVN Green Energy Ltd. (Incorporated in India)	India	Power Generation	100%	100%

iii) Joint Ventures:

Name of Entity	% of Shareholding/ voting Power			
	Principal Place of Operation / Country of Incorporation	Principal activities	As at March 31, 2023	As at March 31, 2022
Cross Border Power Transmission Company Ltd.	India	Power Transmission	26%	26%
Kholongchhu Hydro Energy Limited*	Bhutan	Power Generation	-	50%

*Consequent upon the approval of Shareholders of Kholongchhu Hydro Energy Limited (KHEL) in 5th Extra ordinary Meeting (EGM) held on December 30,2022, SJVN had transferred all its entire shareholding in KHEL to Druk Green Power Corporation (DGPC) Bhutan against payment of equity contribution of SJVN in KHEL along with interest @ 9% per annum with monthly compounding till the date of payment to SJVN. The amount received on transfer of share in excess of cost of shares has been shown under other income note no. 2.33

iv) Entities under the control of same government:

The company is a Central Public Sector Undertaking (CPSU) controlled by Central Government by holding majority of the shares. Government of Himachal Pradesh also holds more than 25% shares in the company (Note No.2.19).Pursuant to paragraph 25 and 26 of Ind AS 24, entities over



which the same government has control or joint control of , or significant influence, then the reporting entity and other entities shall be regarded as related parties. Transactions with these parties are carried out at market terms at arm length basis. The Company has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the Company has significant transactions include but not limited to BHEL Ltd., Indian Oil Corporation Ltd., NBCC Limited.

v) List of Other Related Parties:

Name of Other Related Parties	Principal place of operation	Nature of Relationship
NJPC Ltd. Employees Provident Fund Trust	India	Post-employment benefit plan of SJVN
NJPC Ltd. Employee Gratuity Fund	India	Post-employment benefit plan of SJVN
SJVN Employees Defined Contribution Pension Fund.	India	Post-employment benefit plan of SJVN
SJVN Post Retirement Medical Scheme Trust (PRMS)	India	Post-employment benefit plan of SJVN
SJVN Foundation Trust	India	CSR - Trust
Smt. Lalita Sharma	India	Relative of Director
Sh. Romesh Kumar Kapoor	India	Relative of Director

b) Transactions with related parties-

i) Transactions with subsidiaries, Joint Ventures and Key Management Personnel (KMP) are as follows.

Sr. No.	Particulars	Subsidiary Companies		Joint Venture Companies		Key Management Personnel (KMP) & their relatives	
		F.Y. 22-23	F.Y. 21-22	F.Y. 22-23	F.Y. 21-22	F.Y. 22-23	F.Y. 21-22
(₹ Lakh)							
A.	Transactions During the Year						
1	Investment in Share Capital including Share Application Money						
a)	SJVN Arun-3 Power Development Company Pvt. Ltd.	-	57824				
b)	SJVN Thermal Pvt. Ltd.	-	36500				
c)	SJVN Green Energy Ltd.	125000	5000				
d)	Kholongchhu Hydro Energy Ltd.*			(24043)	5000		
2	Loans / Advances						
a)	Loan to SJVN Arun-3 Power Development Company Pvt. Ltd.	-	2500				
b)	Loan to SJVN Green Energy Ltd.	97272	-				
c)	Advance to SJVN Arun-3 Power Development Company Pvt. Ltd.	-	7200				
c)	Expenditure on behalf of SJVN Green Energy Ltd.	-	39				
e)	Interest On Loans	2543	36				
3	Business Transfer Agreements						
a)	Transfer of projects to SJVN Green Energy Ltd.	128211	-				
4	Consultancy Fee Received						
a)	SJVN Arun-3 Power Development Company Pvt. Ltd.	959	496				
5	Dividend Income						
a)	Cross Border Power Transmission Company Ltd.			315	139		
6	Gain on transfer of shares						
a)	Kholongchhu Hydro Energy Ltd.*			11428	-		
7	Sitting Fees to Directors					28	19
8	Remuneration to relatives of directors					-	113
9	Other payments to relatives of directors					30	13
B.	Outstanding Balances at the year end						
1	Amount Recoverable						
a)	SJVN Arun-3 Power Development Company Pvt. Ltd.	2834	2852				
b)	SJVN Thermal Pvt. Ltd.	286	36				
c)	SJVN Green Energy Ltd.	60036	39				
d)	Kholongchhu Hydro Energy Ltd.			-	12		
2	Advance Outstanding						
a)	SJVN Arun-3 Power Development Company Pvt. Ltd.	-	4508				
3	Loan Outstanding including Accrued interest						
a)	SJVN Arun-3 Power Development Company Pvt. Ltd.	2738	2536				
b)	SJVN Green Energy Ltd.	6401	-				

*Consequent upon the approval of Shareholders of Kholongchhu Hydro Energy Limited (KHEL) in 5th Extra ordinary Meeting (EGM) held on December 30,2022, SJVN had transferred all its entire shareholding in KHEL to Druk Green Power Corporation (DGPC) Bhutan against payment of equity contribution of SJVN in KHEL along with interest @ 9% per annum with monthly compounding till the date of payment to SJVN. The amount received on transfer of share in excess of cost of shares has been shown under other income note no. 2.33



Terms and conditions of transactions with related parties

- Transactions with the related parties are made on normal commercial terms and conditions and at arm's length price.
- Consultancy services provided by the company to subsidiary company is generally on nomination basis.
- The Company is seconding its personnel to subsidiary and joint venture companies as per terms and conditions agreed between the companies, which are similar to those applicable for secondment of employees to other companies and institutions. The cost incurred by the Company towards superannuation and employee benefits are recovered from these companies.
- Outstanding balances of subsidiary and joint venture companies at the year-end are unsecured and settlement occurs through banking transaction. The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

ii) Remuneration to Directors & Key Managerial Personnel

(₹ Lakh)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
i)	Short Term Employee Benefits	387	500
ii)	Post Employment Benefits	44	10
iii)	Other Long Term Employee Benefits	45	47
	Total	476	557

Whole time Directors are allowed the use of staff cars including for private journeys on payment in accordance with DPE guidelines.

Loans to/from Key Management Personnel (KMP)

(₹ Lakh)

Particulars	Key Management Personnel (KMP)	
	31.03.2023	31.03.2022
Loan to KMPs		
Beginning of the Year	73	91
Loans advanced	-	8
Loan repayments received	19	24
Interest charged	3	4
Interest received	3	6
End of the year	54	73

Note: Amount recoverable from subsidiaries is ₹ 63156 Lakh (P.Y.: ₹ 2927 Lakh). Recoverable from JV is Nil (P.Y.: ₹ 12 Lakh). Loan from Key Management Personnel (KMP), their relatives & enterprise over which KMPs have significant influence is NIL (P.Y.: NIL)

iii) Transaction with Trust created for Post employment Benefit plans/CSR of SJVN are as follows:-

(₹ Lakh)

Sr. No.	Name of the Trust	Nature of transaction	2022-23	2021-22
1	Nathpa Jhakri Power Corporation Ltd. Employees Provident Fund Trust	Contributions during the year	7640	7577
2	NJPC Ltd. Employee Gratuity Fund	Contributions during the year	360	597
3	SJVN Employees Defined Contribution Pension Fund.	Contributions during the year	-	187
4	Fund for SJVN PRMS	Contributions during the year	809	511
5	SJVN Foundation Trust	Contributions during the year	6023	5075

iv) Transaction with Government and the related parties under the control of the same government:

(₹ Lakh)

Sr. No.	Name of the Related Party	Nature of transaction by the Company	2022-23	2021-22
A.	Transactions during the year			
1	BHEL Ltd	Purchase of spares / services	1181	876
2	Indian Oil Corporation Ltd.	Purchase of fuel	84	105
3	POSCO	RLDC Charges	104	176
4	BSNL	Services	70	147
5	Central Transmission Utility of India	Transmission Charges	150	-
6	Himachal Tourism	Purchase of material / services	69	116
7	LIC	Insurance Policy	333	68
8	HPSEB Ltd.	Purchase of material / services	1523	276
9	EdCIL (India) Ltd.	Services	172	125
10	IREDA Ltd.	Services	-	1186
11	Rites Ltd.	Services	13	83
12	Power Foundation	Services	400	500
13	Power Grid Corporation of India Ltd.	Services	100	15
14	Other Entities	Purchase of material / services	380	232



(₹ Lakh)

Sr. No.	Name of the Related Party	Nature of transaction by the Company	2022-23	2021-22
B.	Outstanding Balances			
1	Advance Outstanding			
a)	HPSEB Ltd.	State Public Sector Undertaking	2243	-
b)	Other Entities	Central & State Public Sector Undertakings	25	1169
2	Amount Payable to			
a)	BHEL Ltd.	Central Public Sector Undertaking	751	748
b)	POSO	Central Public Sector Undertaking	27	9
c)	BSNL	Central Public Sector Undertaking	19	5
d)	EdCIL (India) Ltd.	Central Public Sector Undertaking	23	-
e)	Rites Ltd.	Central Public Sector Undertaking	27	6
f)	Other Entities	Central & State Public Sector Undertakings	46	20

Individually significant transaction

(₹ Lakh)

Particulars	Nature of relationship	2022-23	2021-22
Equity Contributions Made / (Withdrawn including gain)			
SJVN Arun-3 Power Development Company Private Limited	Subsidiary company	-	57824
SJVN Thermal Pvt. Ltd.	Subsidiary company	-	36500
SJVN Green Energy Ltd.	Subsidiary company	125000	5000
Kholongchhu Hydro Energy Ltd.*	Joint Venture Company	(35471)	5000
Dividend Paid during the year			
Govt. Of India	Shareholder having control over company	40032	36499
Govt. Of Himachal Pradesh	Shareholder having control over company	17935	16353
Guarantee Fee on Foreign Currency Loans paid			
Govt. Of India	Shareholder having control over company	2176	1862
Land Acquisition			
Govt. Of Himachal Pradesh	Shareholder having control over company	37078	8399
Compensatory Afforestation / Crop Compensation			
Govt. Of Himachal Pradesh	Shareholder having control over company	1165	8722

*Consequent upon the approval of Shareholders of Kholongchhu Hydro Energy Limited (KHEL) in 5th Extra ordinary Meeting (EGM) held on December 30, 2022, SJVN had transferred all its entire shareholding in KHEL to Druk Green Power Corporation (DGPC) Bhutan against payment of equity contribution of SJVN in KHEL along with interest @ 9% per annum with monthly compounding till the date of payment to SJVN. The amount received on transfer of share in excess of cost of shares has been shown under other income note no. 2.33

2.47 Disclosure as per Ind As 27 'Separate financial statements'

a) Investment in Subsidiary companies

The company's subsidiaries as at 31st March, 2023 are set out below. The equity share capital of these companies is held directly by the company. The country of incorporation or registration is also their principal place of business.

Sr. No.	Name of entity	Principal Activities	Country of Incorporation	% Equity Interest	
				As at	
				31.03.2023	31.03.2022
1	SJVN Arun-3 Power Development Company Pvt. Ltd	Generation/ Transmission of Power	Nepal	100%	100%
2	SJVN Thermal Pvt. Ltd	Generation of Power	India	100%	100%
3	SJVN Green Energy Ltd.	Generation of Power	India	100%	100%

b) Investment in joint venture companies

The company's interest in joint ventures as at 31st March, 2023 are set out below which in the opinion of the management, are material to the company. The entities listed below have share capital consisting solely of equity shares, which are held directly by the company. The country of incorporation or registration is also their principal place of business and the proportion of ownership interest is the same as the proportion of voting rights held.

(₹ Lakh)

Name of entity	Place of Business	% of ownership interest	Relationship	Quoted Fair Value		Carrying amount	
				31 March 2023	31 March 2022	31 March 2023	31 March 2022
				Kholongchhu Hydro Energy Limited *	Bhutan	50	Joint Venture (1)
Cross Border Power Transmission Company Limited	India	26	Joint Venture (2)	#	#	1261	1261

Unlisted entity- no quoted price available



*Consequent upon the approval of Shareholders of Kholongchhu Hydro Energy Limited (KHEL) in 5th Extra ordinary Meeting (EGM) held on December 30,2022, SJVN had transferred all its entire shareholding in KHEL to Druk Green Power Corporation (DGPC) Bhutan against payment of equity contribution of SJVN in KHEL along with interest @ 9% per annum with monthly compounding till the date of payment to SJVN. The amount received on transfer of share in excess of cost of shares has been shown under other income note no. 2.33

- Equity investments in subsidiary and joint venture companies are measured at cost as per the provisions of Ind AS 27 on 'Separate financial statements'.
- The Company has 26% interest in Cross Border Power Transmission Company Limited. The company is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is principally engaged in establishment, operation & maintenance and transfer of Indian Portion of Indo-Nepal Cross Border Transmission Line from Muzaffarpur to Dhalkebar.

2.48 Disclosure as per Ind AS 33 'Earnings Per Share':-

Calculation of Earnings Per Share (Basic and Diluted) is as under:

(₹ Lakh)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Net Profit after Tax but before Regulatory Income used as numerator (₹ Lakh)	137375	102134
Net Profit after Tax and Regulatory Income used as numerator (₹ Lakh)	136345	97752
Weighted Average number of equity shares used as denominator	3929795175	3929795175
Earnings per Share before Regulatory Income (₹) - Basic & Diluted	3.50	2.60
Earnings per Share after Regulatory Income (₹) - Basic & Diluted	3.47	2.49
Face value per share (₹)	10	10

2.49 Disclosure as per Ind AS 36 'Impairment of Assets'

In the opinion of the management there is no indication of any significant impairment of assets during the year as per Ind AS 36.

2.50 Disclosure as per Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

A. Movement in Provisions

As at March 31,2023

(₹ Lakh)

Particulars	As at April 1, 2022	For the year			As at March 31,2023
		Additions	Write Back/ Transfer	Utilisation	
Performance Related Pay	4267	6453	872	3395	6453
Interest on Arbitration Awards	43498	6384	-	-	49882
Others	824	-	-	-	824
Total	48589	12837	872	3395	57159

As at March 31,2022

(₹ Lakh)

Particulars	As at April 1, 2021	For the year			As at March 31,2022
		Additions	Write Back/ Transfer	Utilisation	
Performance Related Pay	6664	4267	-	6664	4267
Interest on Arbitration Awards	41059	2745	306	-	43498
Others	891	-	67	-	824
Total	48614	7012	373	6664	48589

- Provision for Performance Related Pay
Short-term Provision has been recognised in the accounts towards Performance Related Pay/ incentive to employees on the basis of management estimates as per company's rules in this regard which are based on the guidelines of the Department of Public Enterprises, Government of India
- Provision for Interest on Arbitration Awards
This includes provisions created on the basis of arbitration/court award as to probable outflow in respect of interest on contractors claims against which arbitration award/Court decision have been received and which have been further challenged in a Court of Law. Utilization/ outflow of the provision is to be made on the outcome of the case
- Provision-Others
This includes mainly provision made towards expenditure on Local Area Development Authority in respect of Rampur Hydro Power Station.
- In respect of provision for cases under litigation, outflow of economic benefits is dependent upon the final outcome of such cases.
- In all these cases, outflow of economic benefits is expected within next one year.

B. Contingent Liabilities:-

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

(₹ Lakh)

Particulars	As at 31.03.2023	As at 31.03.2022
Capital Works	56550	67076
Land Compensation	2506	2506
Disputed Income Tax Demand including TDS	2545	1048
Guarantees	141639	19500
Others	25989	24904
Total	229229	115034



(i) **Capital works**

Contractors have lodged claims aggregating to ₹ 59391 Lakh (P.Y.: ₹ 67902 Lakh) against the Company on account of rate & quantity deviation, cost relating to extension of time and idling charges due to stoppage of work/delays in handing over the site etc. The company has created a provision of ₹ 2841 lakh (P.Y.: ₹ 826 lakh) against these claims. These claims are being contested by the company as being not admissible in terms of provisions of the respective contracts or are laying at arbitration tribunal/other forums/under examination with the Company.

(ii) **Land Compensation cases**

In respect of land acquired for the projects, some of the land oustees have filed claims for higher compensation amounting to ₹ 2506 Lakh (P.Y.: ₹ 2506 Lakh) before various authorities/courts. Company has shown the same as contingent liability as possibility of any outflow in settlement of these claims is considered as remote.

(iii) **Disputed Income Tax Demand including TDS**

The Income Tax Department had raised a demand of ₹ 2861 lakh for various assessment years. The company is contesting the cases & filed appeals with CIT (Appeals) and has accordingly deposited ₹ 366 lakh towards disputed income tax demand. There is also a contingent liability amounting to ₹ 50 Lakh towards TDS related demands.

(iv) **Guarantees**

During the previous year the company has given a corporate guarantee for a loan drawn by SAPDC, a subsidiary company. Amount outstanding as on 31.03.2023 amounting to ₹ 141639 lakh has been shown as contingent liability.

(v) **Others**

Other Contingent liability is mainly in respect of bills discounted with banks against trade receivables amounting to ₹ 25989 lakh (P.Y.: ₹ 24904 lakh). In case of any claim on the Company from the banks in this regard, entire amount shall be recoverable from the beneficiaries along with surcharge.

The above is summarized as below:

(₹ Lakh)

Sr. No.	Particulars	Claims as on 31.03.23	Provision against the claims	Contingent liability as on 31.03.23	Addition of Contingent Liability for the period	Adjustment /Deduction in Contingent Liability for the period	Contingent liability as on 31.03.22
1	Capital Works	59391	2841	56550	15776	26302	67076
2	Land Compensation	2506	-	2506	-	-	2506
3	Disputed Income Tax Demand including TDS	2545	-	2545	1498	1	1048
4	Guarantees	141639	-	141639	122139	-	19500
5	Others	25989	-	25989	24948	23863	24904
	Total	232070	2841	229229	164361	50166	115034

(b) The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where the amount cannot be quantified.

(c) It is not practicable to ascertain and disclose the uncertainties relating to outflow in respect of contingent liabilities.

(d) The company's management does not expect that the above claims/obligations (including under litigation), when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations or financial condition.

C. Detail of Contingent Assets:

(₹ Lakh)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Late Payment Surcharge due from beneficiaries	2233	1941
2	Revenue to the extent not recognised in respect of hydro power stations	-	15145
3	Compensation from contractors in respect of renewable power projects	16272	14329
4	Interest Recoverable from Contractors	6801	5235
	Total	25306	36650

(a) In view of significant uncertainties in the ultimate collection from one of the beneficiaries against energy bills as estimated by the management, an amount of ₹ 2233 lakh as on 31 March 2023 (P.Y.: ₹ 1941 lakh) has not been recognised.

(b) During the previous year the company had filed a review petition with CERC against the tariff order of RHPS for the period 2014-19. During the current year orders against this petition has been received and adjustments have been made accordingly.

(c) Amount recoverable from contractors is on account of delay in execution of EPC contract in respect of Sadla wind power project. This also includes compensation for generation loss due to non achievement of design energy in respect of renewable power projects.

(d) Interest recoverable from contractors is on the principal amount of the claim filed by the company before the Hon'ble High Court of Himachal Pradesh against contractors of Rampur Hydro Power Station in respect of hydro allowance.

D. Commitments

a) Estimated amount of Capital and other commitments not provided for is as under:

(₹ Lakh)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Estimated amount of contracts remaining to be executed on capital account and not provided for	247043	226396
2	Other commitments (on account of Repair & Maintenance and Supply of Material etc)	8284	11299
	Total	255327	237695



- b) The Company has commitments of ₹ 479726 Lakh (P.Y.: ₹ 109726 Lakh) towards further investment in the subsidiary companies as at 31 March 2023.
- c) The Company has commitments of ₹ 689 Lakh (P.Y.: ₹ 35957 Lakh) towards further investment in the joint venture entities as at 31 March 2023.
- d) Company's commitment in respect of lease agreements has been disclosed in Note no.2.54

2.51 Disclosure as per Ind AS 108 'Operating Segments'

- a) Operating Segments are defined as components of an enterprise for which financial information is available that is evaluated regularly by the Management in deciding how to allocate resources and assessing performance.
- b) Electricity generation is the principal business activity of the Company. Other operations viz., Contracts, Project Management and Consultancy works do not form a reportable segment as per the Ind AS – 108 on 'Segment Reporting'.
- c) The Company is having a single geographical segment as all its Power Stations are located within the Country.
- d) Information about major customers:

Sr. No.	Name of Customer	Revenue from Customers (₹Lakh)		Revenue from customer as a % of total revenue from sales	
		F.Y. 2022-23	F.Y. 2021-22	F.Y. 2022-23	F.Y. 2021-22
1	Govt. of H.P.	74132	59549	25.25	24.59
2	PDD, J&K	36225	28476	12.34	11.76
3	U.P. Power Corporation	50429	45390	17.18	18.74
4	Punjab State Power Corporation Ltd	28569	22033	9.73	9.10
	Total	189355	155448	64.50	64.19

- e) Revenue from External Customers: The company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown below :

Sr. No.	Revenue from External Customers	F.Y. 2022-23	F.Y. 2021-22
1	Nepal (Consultancy)	959	496
	Total	959	496

(₹ Lakh)

2.52 Disclosure relating to creation of Regulatory Deferral Accounts as per Ind AS 114:

- a) The company is mainly engaged in generation and sale of electricity. The price to be charged by the company for electricity sold to its customers is determined by the CERC which provides extensive guidance on the principles and methodologies for determination of the tariff for the purpose of sale of electricity. The tariff is based on allowable costs like interest, depreciation, operation & maintenance expenses, etc. with a stipulated return. This form of rate regulation is known as cost-of-service regulations which provide the Company to recover its costs of providing the goods or services plus a fair return.
- b) As per the CERC Tariff regulations any gain or loss on account of exchange rate variation during the construction period shall form part of the capital cost till the declaration of commercial operation date. Exchange differences arising from settlement/translation of monetary item denominated in foreign currency to the extent recoverable from or payable to beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized on an undiscounted basis as regulatory deferral account debit/credit balance by credit/debit to movements in regulatory deferral account balances and adjusted from the year in which the same becomes recoverable from or payable to the beneficiaries.
- c) Pay revision of employees of CPSUs has revised from 1st January, 2017. The impact of actual increase in employee cost on account of wage revision of operational power stations is recoverable from beneficiaries in future through Tariff.
- d) Interest charged to profit & loss account on account of arbitration awards in respect of hydro plants is included in regulatory deferral account debit balance as the same is recoverable from beneficiaries through tariff in future.
- e) Risks associated with future recovery/reversal of regulatory deferral account balances:
- Demand risk due to changes in consumer attitudes, the availability of alternative sources of supply.
 - Regulatory risk on account of changes in regulations and submission or approval of rate-setting application or the entity's assessment of the expected future regulatory actions.
 - Other market risks, if any.

The company has created regulatory assets and recognized corresponding regulatory income up to period ended 31.03.2023 as under:

(₹ Lakh)

Regulatory asset created in relation to:	Up to FY 2021-22	For the year ended 31.03.2023	Total up to 31.03.2023
Exchange rate variation regarded as Borrowing Costs	26693	7195	33888
Employee Benefit expense (Pay- revision w.e.f 01.01.2017)	23772	(14827)	8945
Interest on arbitration award	28341	6384	34725
O&M / Security Expenses recoverable in tariff	2054	-	2054
Total	80860	(1248)	79612

The Company expects to recover the carrying amount of regulatory deferral account debit balance over the life of the projects.

2.53 Disclosure as per Ind AS 115, "Revenue from contract with customers"

l) Nature of goods and services

The revenue of the Company comprises of income from energy sales and consultancy services. The following is a description of the principal activities:



a) Revenue from energy sales

The major revenue of the Company comes from energy sales. The Company sells electricity to bulk customers, mainly electricity utilities owned by State Governments as well as private discoms operating in States. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiaries.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for energy sales:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Energy Sales	The Company recognises revenue from energy sales once the electricity has been transmitted to the customers and control over the product is transferred. The tariff for computing revenue from energy sales is determined in terms of CERC Regulations as notified from time to time. The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

b) Revenue from Consultancy Services and energy trading

i) Sale of energy through trading

The Company is purchasing power from the developers and selling it to the Discoms on principal to principal basis.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for sale of energy through trading:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Sale of energy through trading	The Company recognises revenue from contracts for sale of energy through trading over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from sale of energy through trading is determined as per the terms of the agreements.

ii) Revenue from Consultancy Services

The Company undertakes consultancy for domestic and international clients in the different phases of power plants viz. Engineering, construction management, management consultancy etc.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for consultancy services:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Consultancy services	The Company recognises revenue from consultancy services in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to actual progress/ technical assessment of work executed, in line with the terms of respective consultancy contracts. The amounts are billed as per the terms of contracts and are payable within contractually agreed credit period.

II) Disaggregation of revenue

In the following table, revenue is disaggregated by type of product and services, geographical market and timing of revenue recognition:

(₹ Lakh)

Particulars	Generation of energy For the year ended		Energy Trading & Consultancy For the year ended		Total For the year ended	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Geographical markets						
India	280797	240868	17	-	280814	240868
Others	-	-	959	264	959	264
	280797	240868	976	264	281773	241132
Timing of revenue recognition						
On transfer of ownership and control of Products and services	280797	240868	976	264	281773	241132
	280797	240868	976	264	281773	241132

III) Reconciliation of revenue recognised with contract price:

(₹ Lakh)

Particulars	As at 31 March 2023
Contract price	278747
Adjustments for:	
Regulated Power Adjustment-Margin	(383)
Regulated Power Adjustment – Expenses	(53)
Advance Against Depreciation	3224
Rebates	(738)
Revenue recognised	280797

IV) Contract balances

Contract assets are recognised when there is excess of revenue recognised over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers which are referred as “advances from customers”.

The following table provides information about trade receivables, unbilled revenue, amount receivable for late payment surcharge and advances from customers:



(₹ Lakh)

Particulars	As at March 31, 2023		As at 1 April 2022	
	Current	Non-current	Current	Non-current
Trade receivables	27064	-	57503	-
Unbilled revenue	40756	-	25092	-
Amount receivable for late payment surcharge	-	-	-	-
Advances from customers	274	-	392	-

The aging schedule of Trade Receivables is as below

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2023					
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	10629	16421	-	14	-	27064

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2022					
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables – considered good	15631	18454	23403	15	-	57503

The aging schedule of Unbilled Revenue is as below:

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2023					
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Unbilled Revenue	32661	-	6042	2053	-	40756

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2022					
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
Unbilled Revenue	23039	-	2053	-	-	25092

V) Transaction price allocated to the remaining performance obligations

Performance obligations related to sale of energy:

Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations, where the tariff rates are yet to be approved/ items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. Revenue from sale of energy is recognised once the electricity has been delivered to the beneficiaries. Beneficiaries are billed on a periodic and regular basis. Therefore, transaction price to be allocated to remaining performance obligations cannot be determined reliably for the entire duration of the contract.

Performance obligations related to Consultancy and sale of energy through trading:

For consultancy, transaction price for remaining performance obligations amounts to ₹ 763 Lakh (P.Y.: ₹ 1731 Lakh) which shall be received over the contract period in proportion of the services provided by the Company.

VI) Practical expedients applied as per Ind AS 115:

- The company has not disclosed information about remaining performance obligations that have original expected duration of one year or less and where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.
- The company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the company has not adjusted any of the transaction prices for the time value of money.

VII) The Company has not incurred any incremental costs of obtaining contracts with a customer and therefore, not recognised an asset for such costs.

2.54 Disclosures as per Ind AS 116 'Leases'

- The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. On the date of initial application, the lease liability has been measured at the present value of the remaining lease payments and right of use assets has been recognised at an amount equal to the lease liabilities.
- Practical expedients applied as per Ind AS 116
 - Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
 - Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
 - Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.
- The incremental borrowing rate has been applied to discount the lease liabilities.
- The details of the contractual maturities of lease liabilities as at March 31,2023 on an undiscounted basis are as follows:

(₹ Lakh)

Particulars	As at March 31,2023	As at March 31,2022
Less than one year	666	760
One to five years	655	533
More than five years	176	207
Total	1497	1500



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

1) (₹ Lakh)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(A) Expenditure in foreign currency		
i) Consultancy	-	-
ii) Financing Charges (ECBs)	-	-
iii) Interest on External Commercial Borrowings (ECBs)	7155	5651
iv) Interest on World Bank Loan	4765	862
v) Dividend Paid	-	-
vi) Other Miscellaneous Matters	213	580
(B) Earnings in foreign currency	-	-
(C) Value of Import calculated on CIF basis		
i) Capital Goods	8058	564
ii) Spare Parts	-	-
(D) Value of components, stores and spare parts consumed		
i) Imported	18 (1.09%)	47 (2.80%)
ii) Indigenous	1629 (98.91%)	1632 (97.20%)

2) Aging Schedule for Trade Payables due for payment:

a) The aging schedule for trade payable other than unbilled dues is as below:

(₹ Lakh)

Sr. No.	Particulars	Unbilled	Outstanding for following periods from due date of payment as on 31.03.2023				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	82	584	-	-	-	666
ii)	Others	1510	2344	23	-	127	4004
iii)	Disputed dues –MSME						
iv)	Disputed dues – Others						

(₹ Lakh)

Sr. No.	Particulars	Unbilled	Outstanding for following periods from due date of payment as on 31.03.2022				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	445	255	-	-	-	700
ii)	Others	1095	1917	2	-	2	3016
iii)	Disputed dues –MSME						
iv)	Disputed dues – Others						

3) Title deeds of immovable property not held in the name of the Company

The details of the immovable property (other than properties where the company is a lessee) whose title deeds are not held in the name of the company as on 31.03.2023 is as below:

Sr. No.	Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value (₹Lakhs)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relatives of promoter / director of employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
1	PPE	Buildings-Freehold	5*	HPSEB Ltd.	-	01.08.1991	Transferor has not executed the conveyance deed.

*Original Cost of the property is ₹ 15 Lakh

The details of the immovable property (other than properties where the company is a lessee) whose title deeds are not held in the name of the company as on 31.03.2022 is as below:

Sr. No.	Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value (₹ Lakhs)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relatives of promoter / director of employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
1	PPE	Buildings-Freehold	5*	HPSEB Ltd.	-	01.08.1991	Transferor has not executed the conveyance deed.

*Original Cost of the property is ₹ 15 Lakh

2.56 Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

A. Loans and advances in the nature of loans:

1. To Subsidiary Companies –

(₹ Lakh)

Name of the Company	Outstanding balance as at		Maximum amount outstanding during the year ended	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
SJVN Arun-3 Power Development Company Pvt. Ltd	2834	2852	2852	5210
SJVN Thermal Pvt. Ltd.	286	36	286	180
SJVN Green Energy Ltd.	51	39	51	39



2. To Joint Venture Companies

(₹ Lakh)

Name of the Company	Outstanding balance as at		Maximum amount outstanding during the year ended	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Kholongchhu Hydro Energy Ltd.	-	12	12	117

3. To Firms/companies in which directors are interested : Nil (P.Y.: Nil)

B. Investment by the loanee (as detailed above) in shares of SJVN : Nil

2.57 The Company has a system of obtaining periodic confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of bank accounts and borrowings from banks & financial institutions. With regard to receivables for energy sales, the Company sends demand intimations to the beneficiaries with details of amount paid and balance outstanding which can be said to be automatically confirmed on receipt of subsequent payment from such beneficiaries. In addition, reconciliation with beneficiaries and other customers is generally done on quarterly basis. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters/emails with the negative assertion as referred in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent to the parties. Some of such balances are subject to confirmation/reconciliation. Adjustments, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.

2.58 Information in respect of micro and small enterprises as at 31st March 2023 as required by Micro, Small and Medium Enterprises Development Act, 2006.

(₹ Lakh)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
a)	Amount remaining unpaid to any supplier:		
	Principal amount	927	782
	Interest due thereon	-	-
b)	Amount of interest paid in terms of section 16 of the MSMED Act along with the amount paid to the suppliers beyond the appointed day.		-
c)	Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d)	Amount of interest accrued and remaining unpaid	-	-
e)	Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under section 23 of MSMED Act.	-	-

2.59 Quantitative details in respect of energy generated & sold :

a) **Hydro Power:-**

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	1912	1912
iii)	Actual Generation (Million Units)	9130.45	9048.57

b) **Wind/Solar Power:-**

Sr.No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	102.60	102.60
iii)	Actual Generation (Million Units)	152.51	158.50

2.60 Payment to Auditors includes:

(₹ Lakh)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
As Auditors		
-Statutory Audit	16	13
-Tax Audit	3	3
-Limited Review	10	6
For other services (Certificates etc.)	2	2
Reimbursement of Expenses	12	3
Reimbursement of GST	6	4
Total	49	31

2.61 Foreign currency exposure not hedged by a derivative instrument or otherwise:

(₹ Lakh)

Particulars	Currency	As at 31.03.2023	As at 31.03.2022
Borrowings, including Interest Accrued but not due thereon.	USD	388095	376906

2.62 Disclosure related to Corporate Social Responsibility (CSR)

As per the Companies Act, 2013, the company is required to spend at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. During the year an amount of ₹ 3300 lakh [(2% of Average Profit Before Tax of immediately previous three years (P.Y ₹ 3947 lakh, 2% of Average Profit Before Tax of immediately previous three years))] to be spent on CSR during the year. The company has paid an amount of ₹ 6023 lakh (P.Y: ₹ 5075 lakh) to the CSR trust formed to manage the CSR activities which has been booked to CSR expenses as per Accounting Policy.



a) Break-up of CSR expenditures incurred as intimated by CSR Trust under various heads is as below.

		(₹ Lakh)	
Sr. No.	Particulars	31-Mar-23	31-Mar-22
1	Health and hygiene	2181	1194
2	Education and Skill Development	556	553
3	Promotion of Gender Equality, Empowering women etc	303	159
4	Sustainable Development	1893	527
5	Protection of national heritage, art and culture etc	189	985
6	Benefits of armed forces veterans ,war widows and their dependants	11	14
7	Preservation and promotion of culture, Melas, Sports etc	42	34
8	Infrastructural Development and Community Development	613	991
9	Slum Area Development	-	7
10	Assistance to the victims natural disasters/ calamities	56	345
11	Miscellaneous CSR activities& Administrative Exp.	140	358
	Total	5984	5167

b) (i) Amount spent during the year ended 31st March 2023

		(₹ Lakh)		
	Particulars	In cash	Yet to be paid in cash	Amount
a)	Construction/Acquisition of any Asset	2077	-	2077
b)	On Purpose other than (a) above	3900	7	3907

(ii) Amount spent during the year ended 31st March 2022

		(₹ Lakh)		
	Particulars	In cash	Yet to be paid in cash	Amount
a)	Construction/Acquisition of any Asset	1925	59	1984
b)	On Purpose other than (a) above	3173	10	3183

2.63 Ratios

The following are analytical ratios for the Year ended 31st March 2023 and 31st March 2022.

Sr. No.	Particulars	Numerator	Denominator	31st March 2023	31st March 2022	Variance (%)
1	Current Ratio	Current Assets	Current Liabilities	2.31	2.05	12.68
2	Debt-Equity Ratio	Paid up debt capital	Shareholders Equity	0.52	0.42	23.81
3	Debt-Service Coverage Ratio	Profit before tax + interest + depreciation + exceptional items	Interest+Scheduled principal repayments of long term borrowings during the year	4.05	5.26	(23.00)
4	Return on Equity Ratio	Net profit for the year	Average Shareholders Equity	10.12%	7.55%	33.99
5	Inventory Turnover Ratio	Revenue From Operations	Average Inventory	43.34	40.77	6.30
6	Trade Receivables Turnover Ratio	Revenue From Operations	Average Trade Receivables	6.94	4.41	57.37
7	Trade payables Turnover Ratio	Other Expenses Less CSR expenses	Average Trade Payables	8.56	8.88	(3.60)
8	Net Capital turnover ratio	Revenue From Operations	Net Working Capital	1.07	1.15	(6.96)
9	Net profit ratio	Profit for the year	Revenue From Operations	46.45%	40.36%	15.08
10	Return on Capital Employed	Earning Before Interest , Tax and Exceptional Items	Shareholders Equity + Paid up Debt Capital	9.47%	7.78%	21.61

2.64 Govt. of Himachal Pradesh vide it's notification dated 16.02.2023 has imposed water cess on the generation of electricity in Himachal Pradesh. Company has two operational projects of 1912 MW in Himachal Pradesh. However, Govt. of India, Ministry of Power vide it's letter dated 25.04.2023 has termed this as illegal and unconstitutional and advised the States not to levy any taxes/duties contrary to constitutional provisions. CPSE's have also been advised not to make payment of such taxes and challenge the same in the courts. As a precautionary measure the company has filed a writ petition against the said notification in the Hon'ble High Court of Himachal Pradesh.

2.65 Board of Directors have authorised Director (Finance) and Company Secretary to rectify the errors and carry out modifications, if any.


For and on behalf of the Board of Directors


(Soumendra Das)
Company Secretary
FCS-4833


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


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

As per our report of even date
For APT & Co. LLP
Chartered Accountants
FRN-014621C/N500088


(Nimish Kumar Sharma)
Partner
M.No. 514914
Place: Shimla
Date : May 22, 2023



INDEPENDENT AUDITOR'S REPORT

To The Members of SJVN Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of SJVN Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), and its Joint Ventures, which comprise the consolidated balance sheet as at 31 March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2023, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports as referred to in sub-paragraph (a) of the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter:

We draw attention to the following matters:

- Note No. 2.59 to the consolidated financial statements regarding certain balances which are subject to reconciliation / confirmation and consequential adjustments.
- Note No. 2.2 (a) with respect to the Devasari Hydro Electric Project which has been put on hold as per directions of Ministry of Power, GOI dated July 6, 2021.
- Note No. 2.67 with respect to imposition of water cess by Govt. of Himachal Pradesh vide notification dated 16.02.2023 on the generation of electricity in Himachal Pradesh. The company has filed writ petition against the said notification with the Hon'ble High Court of Himachal Pradesh.
- Note No. 2.5 and 2.34 to the consolidated financial statements which describes the Other Income includes ₹ 11428 Lacs towards gain

on transfer of entire shareholding from Kholongchhu Hydro Energy Limited (KHEL), joint venture company to another shareholder, Druk Green Power Corporation (DGPC), Bhutan.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

For each matter below, description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report. The below mentioned key audit matters pertains to Holding Company, as other auditor of the component whose report is furnished to us by the management have not given any key audit matter in his report.

S. No.	Key Audit Matter	How our audit addressed the Key Audit Matter
1	<p>Contingent Liabilities and provisions:</p> <p>There are number of litigations pending before various forums against the Group and the management's judgement is required for estimating the amount to be disclosed as contingent liability and for creating the adequate amount of provision, wherever required.</p> <p>We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgement in interpreting the cases and it may be subject to management bias.</p> <p>(Refer Note No. 2.51 to the Consolidated Financial Statements, read with the Significant Accounting Policies No. 1.18)</p>	<p>We have obtained an understanding of the Group's internal instructions and procedures in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures:-</p> <ul style="list-style-type: none"> - understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases; - discussed with the management any material developments and latest status of legal matters; - examined management's judgements and assessments whether provisions are required; - considered the management assessments of those matters that are not disclosed as the probability of material outflow is considered to be remote; - reviewed the adequacy and completeness of disclosures; <p>Based on the above procedures performed, the estimation and disclosures of contingent liabilities and creation of provisions are considered to be adequate and reasonable.</p>



<p>2</p>	<p>Property, Plant & Equipment:</p> <p>There are areas where management judgement impacts the carrying value of property plant and equipment and their respective depreciation rates. These include the decision to capitalize or expense costs; the annual asset life review; the timeliness of the capitalisation of assets and the use of management assumptions and estimates for the determination or the measurement and recognition criteria for assets retired from active use. Due to the materiality in the context of the balance sheet of the Group and the level of judgement and estimates required, we consider this to be as area of significance.</p> <p>(Refer Note No. 2.1 to the Consolidated Financial Statements, read with the Significant Accounting Policies No. 1.4)</p>	<p>We assessed the controls in place over the fixed asset cycle, evaluated the appropriateness of capitalisation process Performed tests of details on costs capitalised, the timeliness and accuracy of the capitalisation of the assets and the de-recognition criteria for assets retired from active use. In performing these procedures, we reviewed the judgements made by management including the nature of underlying costs capitalised; determination of realizable value of the assets retired from active use; the appropriateness of asset lives applied in the calculation of depreciation; the useful lives of assets prescribed in schedule II of the Companies Act, 2013 and the useful lives of certain assets as per the technical assessment of the management.</p> <p>We have observed that the management has regularly reviewed the aforesaid judgements and there are no material deficiencies in measurement and recognition of property, plant and equipment.</p>
<p>3</p>	<p>Capital work-in-progress (CWIP):</p> <p>The Group is involved in various capital works like construction of new power projects, installation of new plant and machinery, civil works etc. These projects/ works take a substantial period of time to get ready for intended use and due to their materiality in the context of the balance sheet of the Group, this is considered to be an area which had the significant effect on the overall audit strategy and allocation of resources in planning and completing our audit.</p> <p>(Refer Note No. 2.2 to the Consolidated Financial Statements, read with the Significant Accounting Policies No. 1.5)</p>	<p>We performed an understanding and evaluation of the system of internal control over the capital work-in-progress, with reference to identification and testing of key controls.</p> <p>when it is ready for the intended use.</p> <p>We assessed the progress of the project and the intention and ability of the management to carry forward and bring the asset to its state of intended use.</p> <p>We assessed the timeliness and accuracy of capitalisation of assets when it is ready for the intended use.</p>

<p>4</p>	<p>Deferred Tax Asset relating to MAT Credit Entitlement:</p> <p>The Group has recognised deferred tax asset relating to MAT credit entitlement during the year. Utilization of MAT credit will result in lower outflow of Income Tax in future years. The recoverability of this deferred tax asset relating to MAT credit entitlement is dependent upon the generation of sufficient future taxable profits to utilise such entitlement within the stipulated period prescribed under the Income Tax Act, 1961.</p> <p>We identified this as a key audit matter because due to use of management estimate in forecasting future taxable profits for recognition of MAT credit entitlement considering the recoverability of such tax credits within allowed time frame as per the provisions of the Income Tax Act, 1961. (Refer Note 2.44 to the Consolidated Financial Statements, read with the Significant Accounting Policies No. 1.22)</p>	<p>We have obtained an understanding for recognition of deferred tax asset relating to MAT credit entitlement. We have reviewed the estimate of management regarding future taxable profits and reasonableness of the considerations /assumptions used for the same.</p> <p>Based on the above procedures performed, the recognition and measurement of Deferred tax asset relating to MAT credit entitlement are considered adequate and reasonable.</p>
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Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexure to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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



Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Group in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective board of directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective board of directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for overseeing the Company's financial reporting process of the Group and of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

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

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

We communicate with those charged with governance regarding of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

- (a) We did not audit the financial statements / financial information of the following subsidiary whose financial statements/financial information reflect the details given below of total assets as at 31st March 2023, total revenues and net cash flows for the year ended on that date to the extent to which they are reflected in consolidated financial statements.

₹ in Lakh

Name of the Company	Assets	Revenues	Net Cash Flows
Subsidiaries:			
SJVN Thermal Private Limited	7, 48,603	5	8,115
SJVN Arun-III Power Development Company Private Limited	4, 22,053	888	635
SJVN Green Energy Limited	4, 11,341	1,270	10,397

These financial statements / financial information have been audited by respective auditors' whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosure included in respect of this subsidiary, and our report in terms of subsection (3) and (11) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the report of other auditors' and the procedures



performed by us are as stated under Auditors' Responsibility section above after considering the requirement of Standard on Auditing (SA 600) on 'Using the work of Another Auditor' including materiality.

- (b) We did not audit the financial statements / financial information of the following jointly controlled companies whose financial statements/ financial information reflect the group's share of net profit including other comprehensive income for the year ended 31st March 2023 to the extent to which they are reflected in consolidated financial statements.

₹ in Lakh

Name of the Company	Group's share in Net Profit	Group's share in net other comprehensive income	Group share total
Cross Border Power Transmission Company Limited	425	-	425

These financial statements / financial information as referred in (b) above are unaudited and have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosure included in respect of this jointly controlled company, and our report in terms of subsection (3) of section 143 of the Act, in so far as it relates to the aforesaid jointly controlled company, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements / financial information are not material to the Group.

Our opinion on the Consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Holding Company's Management.

Report on Other Legal and Regulatory Requirements

- As required by Section 143(3) of the Act, based on our audit we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
 - In our opinion proper books of account as required relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated statement of cash flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts maintained for the purpose of preparation of the consolidated financial statements.
 - In our opinion, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder.
 - In view of exemptions given vide Notification No. G.S.R. 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, the provisions of Section 164 (2) of the Companies Act, 2013 regarding disqualification of directors are not applicable to the Holding Company and its subsidiaries.
 - With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **Annexure "A"**
 - As per Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, the provisions of Section 197 of the Companies Act, 2013 is not applicable to the Government Companies. Accordingly, reporting in accordance with requirements of provisions of section 197(16) of the act is not applicable to the Holding Company and its subsidiaries.
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and

Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- The consolidated financial statements has discloses the impact of pending litigations on the Consolidated Financial position of the Group, its associates and jointly controlled entities- Refer Note No. 2.51 to the consolidated financial statements;
 - The company has made provision in consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts;
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding company and its subsidiaries, associate companies and jointly controlled companies incorporated in India.
 - (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the Holding Company or its subsidiary companies incorporated in India to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.
 - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.
 - (c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the above representations given by the management contain any material mis-statement.
 - The dividend declared or paid during the year by the Holding Company and its subsidiaries incorporated in India are in compliance of section 123 of the Act.
 - Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- With respect to the matters specified in paragraphs 3(xxii) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For APT & Co LLP
Chartered Accountants
FRN: 014621C/N500088

Nimish

(Nimish Kumar Sharma)
Partner

Membership No 514914
UDIN: 23514914BGZCAO2568

Date: 22nd May, 2023
Place: Shimla



Annexure “A” to the Independent Auditors’ Report on the Consolidated Financial Statements of SJVN Limited for the year ended March 31, 2023

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Group as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of **SJVN Limited** (hereinafter referred to as “the Holding Company”) and its subsidiary companies and Joint Ventures, which are companies incorporated in India, as of that date.

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial Controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting with reference to Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Holding Company, its subsidiaries and joint ventures, which are companies incorporated in India, has in all material respect, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company Considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. However, there are following issues in Internal Financial Control:

- (i) It has been 4 years of implementation of SAP in SJVN. But, still there are few areas where calculations are carried out manually. The details are as under:-
 - Calculation of Rebate,
 - Bank Reconciliation Statement
 - Issue of Purchase Order

We believe this should be rooted through SAP in order to increase reliability on the same.

- (ii) With the significant increase in borrowed funds and its utilization in multiple projects viz. “under construction” or “operational projects”,



the calculation of interest, its apportionment towards various under construction projects etc. shall be rooted through SAP in order to increase the reliability on the same.

Other Matters

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to Consolidated Financial Statements of the Holding Company, in so far as it relates to two subsidiaries companies incorporated in India, is based on the corresponding reports of the auditor of such companies incorporated in India.

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial control with reference to Consolidated Financial Statements in so far as it relates to one joint venture, whose financial statements/ financial information are unaudited and our opinion on the adequacy and operating effectiveness of the internal financial control with reference to Consolidated Financial

Statements of the Group, as explained by the management, is not affected as the Group's share of net profit/loss (including other comprehensive income) and disclosure included in respect of one joint venture in the Consolidated Financial Statements are not material to the Group.

Our report is not modified in respect of the above matters.

For APT & Co LLP
Chartered Accountants
FRN: 014621C/N500088

(Nimish Kumar Sharma)
Partner
M. No 514914

UDIN: 23514914BGZCAO2568

Date: 22nd May, 2023
Place: Shimla

Annexure – XIII

Board's reply on Statutory Auditors' Observations on Internal Financial Control-Annexure-A to the Auditors' Reports (Consolidated Financial Statements)

Auditors' Observations	Board's Reply
<p>i. It has been 4 years of implementation of SAP in SJVN. But, still there are few areas where calculations are carried out manually. The details are as under: -</p> <ul style="list-style-type: none"> - Calculation of Rebate; - Bank Reconciliation Statement; - Issue of Purchase Order. <p>We believe this should be rooted through SAP in order to increase reliability on the same.</p>	<p>From the FY 2023-24 calculation of Rebate in being carried out through SAP.</p> <p>Bank Reconciliation Statement and Issue of purchase orders was implemented in SAP during the FY 2022-23 but due to some practical difficulties these processes could not be operationalised through SAP. However, necessary changes have been made in these SAP processes and from FY 2023-24, bank reconciliation statements and issue of purchase orders shall be carried through SAP.</p>
<p>ii. With the significant increase in borrowed funds and its utilization in multiple projects viz. "under construction" or "operational projects", the calculation of interest, its apportionment towards various under construction projects etc. shall be rooted through SAP in order to increase the reliability on the same.</p>	<p>The process of calculation of Interest on borrowed funds and its apportionment toward various under construction projects shall be implemented and routed through SAP/ other suitable system during the FY 2023-24.</p>

For and on behalf of Board of Directors

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

Date: 9th August, 2023
Place: New Delhi

**Annexure – XV****COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6)(b) READ WITH SECTION 129(4) OF THE COMPANIES
ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SJVN
LIMITED FOR THE YEAR ENDED 31 MARCH 2023**

The preparation of consolidated financial statements of SJVN Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) read with section 129(4) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 22 May, 2023.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of SJVN Limited for the year ended 31 March 2023 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of SJVN Limited and SJVN Thermal Private Limited, but did not conduct supplementary audit of the financial statements of SJVN Green Energy Limited for the year ended on that date. Further, section 139(5) and 143(6)(a) of the Act are not applicable to SJVN Arun-3 Power Development Company Pvt. Ltd. being entity incorporated in foreign country under the respective laws, for appointment of their Statutory Auditors and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these companies. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143(6)(b) of the Act.

**For and on behalf of the
Comptroller & Auditor General of India**

(Sanjay K. Jha)

Director General of Audit (Energy), Delhi

Date: 31st July, 2023

Place: New Delhi



CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

(₹ Lakh)

Note No. As at March 31, 2023 As at March 31, 2022

ASSETS			
Non - current assets			
Property, plant and equipment	2.1	848006	784400
Capital work-in-progress	2.2	1567387	836905
Intangible Assets	2.3	943	2150
Intangible assets under development	2.4	-	41
Investments accounted for using Equity Method	2.5	3409	27342
Financial Assets			
Investments	2.6	175	175
Loans	2.7	9364	9684
Other financial assets	2.8	25490	18946
Deferred tax assets (net)	2.9	47633	52971
Other non-current assets	2.10	165687	99455
Total non- current assets		<u>2668094</u>	<u>1832069</u>
Current assets			
Inventories	2.11	7280	6266
Financial assets			
Trade receivables	2.12	27684	57503
Cash and cash equivalents	2.13	33165	2929
Bank balance other than cash and cash equivalents	2.14	339979	287274
Loans	2.15	2371	2263
Other financial assets	2.16	57575	40889
Other current assets	2.17	13715	13184
Total current assets		<u>481769</u>	<u>410308</u>
Assets held-for-sale	2.18	1625	1607
Regulatory deferral account debit balance	2.19	79612	80860
TOTAL ASSETS		<u>3231100</u>	<u>2324844</u>
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.20	392980	392980
Other Equity	2.21	992974	924054
Total Equity		<u>1385954</u>	<u>1317034</u>
Liabilities			
Non- current liabilities			
Financial liabilities			
Borrowings	2.22	1324794	617016
Lease liabilities	2.23	4870	588
Other financial liabilities	2.24	1	38051
Provisions	2.25	17902	16734
Other non- current liabilities	2.26	70683	72939
Total non-current liabilities		<u>1418250</u>	<u>745328</u>
Current liabilities			
Financial liabilities			
Borrowings	2.27	74501	72359
Lease liabilities	2.28	1769	652
Trade payables			
Total outstanding dues of micro and small enterprises	2.29	668	700
Total outstanding dues of creditors other than micro and small enterprises	2.29	4008	3016
Other financial liabilities	2.30	279353	130091
Other current liabilities	2.31	6866	5398
Provisions	2.32	59731	50266
Total current liabilities		<u>426896</u>	<u>262482</u>
TOTAL EQUITY AND LIABILITIES		<u>3231100</u>	<u>2324844</u>

The accompanying notes from 2.1 to 2.68 form an integral part of the financial statements.


For and on behalf of the Board of Directors


(Soumendhra Das)
Company Secretary
FCS-4833


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


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

As per our report of even date
For APT & Co. LLP
Chartered Accountants
FRN-014621C/N500088


(Nimish Kumar Sharma)
Partner
M.No. 514914
Place: Shimla
Date : May 22, 2023



CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023


(₹ Lakh)

	Note No.	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Income			
Revenue from Operations	2.33	293835	241700
Other Income	2.34	34415	21778
Total Income		328250	263478
Expenses			
Purchase of Electricity for Trading		17	-
Employee Benefits Expense	2.35	28686	29062
Finance Costs	2.36	41488	16134
Depreciation and Amortization Expense	2.37	39640	40429
Other Expenses	2.38	42115	39994
Total Expenses		151946	125619
Profit/ (Loss) before exceptional items and tax		176304	137859
Exceptional Items	2.39	2963	2326
Profit before share in net profit of joint venture / associates, net movement in regulatory deferral account balance and tax		173341	135533
Share in Profit of Joint Venture / Associates		425	449
Profit before net movement in regulatory deferral account balance and tax		173766	135982
Tax Expenses:			
- Current Tax		29909	23286
- Adjustments relating to earlier years		1559	33
- Deferred Tax	2.9	5338	9301
Profit before regulatory deferral account balances		136960	103362
Net movement in regulatory deferral account balances (net of tax)	2.40	(1030)	(4382)
Profit for the year		135930	98980
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
-Remeasurement of the net defined benefit liability/asset		(246)	(197)
-Income tax on above item		43	34
Total		(203)	(163)
Total Comprehensive Income for the period		135727	98817
Earnings Per Equity Share (excluding net movement in regulatory deferral account balance)			
Basic and Diluted (₹)		3.49	2.63
Earnings Per Equity Share (including net movement in regulatory deferral account balance)			
Basic and Diluted (₹)		3.46	2.52
Weighted average equity shares used in computing earnings per equity share		3929795175	3929795175

The accompanying notes from 2.1 to 2.68 form an integral part of the financial statements.


For and on behalf of the Board of Directors


(Soumendhra Das)
Company Secretary
FCS-4833


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


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

As per our report of even date
For APT & Co. LLP
Chartered Accountants
FRN-014621C/N500088


(Nimish Kumar Sharma)
Partner
M.No. 514914
Place: Shimla
Date : May 22, 2023



CONSOLIDATED STATEMENT OF CASH FLOWS
For the Year Ended March 31, 2023

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Cash flow from operating activities		
Profit before net movement in regulatory deferral account balance and tax	173766	135982
Add: Net movement in regulatory deferral account balances (net of tax)	(1030)	(4382)
Add: Tax on net movement in regulatory deferral account balances	(218)	(928)
Profit before tax including movement in regulatory deferral account balances	172518	130672
Adjustment for:		
Depreciation and amortization	39640	40429
Interest on term deposits & others	(14121)	(11231)
Share in profit of Joint Venture	(425)	(449)
Finance cost	41488	16134
Loss on disposal/ write off of fixed assets	904	362
Gain on transfer of Shares in Joint Venture	(11428)	-
Profit on sale of fixed assets	(142)	(34)
	55916	45211
Adjustment for assets and liabilities		
Inventories	(1014)	(651)
Trade receivable and unbilled revenue	13454	(22861)
Loans, other financial assets and other assets	(61359)	27982
Trade payable	960	(518)
Other financial liabilities and other liabilities	5207	64354
Regulatory deferral account debit balance	1248	5310
Provisions	10051	789
	(31453)	74405
Cash generated from operating activities	196981	250288
Income tax paid	(33790)	(36515)
Net cash generated by operating activities	163191	213773
Cash flow from investing activities:		
Net expenditure on Property, Plant & Equipment and CWIP including advances for capital works	(684386)	(442779)
Term deposits with bank (having maturity more than three months)	(53209)	(173263)
Interest on term deposits & others	14148	8046
Dividend from joint venture	315	139
Investment in subsidiaries and joint ventures	-	(5310)
Transfer of shares in subsidiaries/ joint ventures	35471	-
Net cash used in investing activities	(687661)	(613167)
Cash flow from financing activities:		
Repayment of borrowings	(344875)	(31578)
Proceed from borrowings	1027941	471162
Payment of lease liabilities	(916)	(637)
Interest and finance charges	(59432)	(10957)
Dividend Paid	(66799)	(61054)
Cash used in financing activities	555919	366936
Net increase in cash and cash equivalents	31449	(32458)
Opening balance of cash & cash equivalents (refer note 1 and 2 below)	(27899)	4559
Closing balance of cash & cash equivalents (refer note 1 and 2 below)	3550	(27899)
Restricted cash balance		
Earmarked Balance (Unpaid Dividend)	148	140
Margin Money for BG/ Letter of Credit and Pledged deposits	191082	73702
Total	191230	73842

The accompanying notes form an integral part of the financial statements.

- Cash and Cash equivalents consist of Cash in hand, cheques/drafts in hand, Bank Balances including Short Term Deposits having original maturity upto three months and bank overdraft.
- Reconciliation of Cash and Cash Equivalents:

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Cash and Cash equivalents as per note 2.13	33165	2929
Bank overdraft as per note 2.27	(29615)	(30828)
Cash & Cash Equivalents as per statement of cash flows	3550	(27899)
- Refer note 2.41 for details of undrawn borrowings facilities .
- Refer note 2.64 for amount spent on CSR activities.



5. Net Debt Reconciliation

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Borrowings (Current & Non- Current) including accrued interest	1377556	662105
Lease Liabilities	6639	1240
Total	1384195	663345

For the Year Ended March 31, 2023

Particulars	Borrowings (Current & Non- Current) including accrued interest)	Lease Liabilities	Total
Opening Net Debt as at April 1,2022	662105	1240	663345
Cash Flows For the Year Ended	623634	(916)	622718
Non-cash changes due to:			
Foreign Exchange Adjustments	31170	-	31170
Interest & Finance Charges	60647	-	60647
Addition/ Adj. of lease liabilities	-	6315	6315
Closing Net Debt as at March 31, 2023	1377556	6639	1384195

For and on behalf of the Board of Directors



(Soumendra Das)
Company Secretary
FCS-4833



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



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

As per our report of even date
For APT & Co. LLP
Chartered Accountants
FRN-014621C/N500088



(Nimish Kumar Sharma)
Partner
M.No. 514914
Place: Shimla
Date : May 22, 2023



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

A. Equity Share Capital

For the Year Ended March 31, 2023

Particulars	Amount (₹ Lakh)
Opening Balance as at April 1, 2022	392980
Closing Balance as at March 31, 2023	392980

For the Year Ended March 31, 2022

Particulars	Amount (₹ Lakh)
Opening Balance as at April 1, 2021	392980
Closing Balance as at March 31, 2022	392980

B. Other Equity

For the Year Ended March 31, 2023

(₹ Lakh)

Particulars	Reserves and Surplus			Total Other Equity
	Capital Redemption Reserve	Securities Premium	Retained Earnings	
Opening Balance as at April 1, 2022	20683	-	903371	924054
Profit for the Period			135930	135930
Other Comprehensive Income			(203)	(203)
Total Comprehensive Income			135727	135727
Dividends				
Final Dividend Paid for 2021-22			(21614)	(21614)
Interim Dividend Paid for 2022-23			(45193)	(45193)
Closing Balance as at March 31, 2023	20683	-	972291	992974

For the Year Ended March 31, 2022

(₹ Lakh)

Particulars	Reserves and Surplus			Total Other Equity
	Capital Redemption Reserve	Securities Premium	Retained Earnings	
Opening Balance as at April 1, 2021	20683	-	865466	886149
Profit for the Period			98980	98980
Other Comprehensive Income			(163)	(163)
Total Comprehensive Income			98817	98817
Dividends				
Final Dividend Paid for 2020-21			(15719)	(15719)
Interim Dividend Paid for 2021-22			(45193)	(45193)
Closing Balance as at March 31, 2022	20683	-	903371	924054

For and on behalf of the Board of Directors



(Souendra Das)
Company Secretary
FCS-4833


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


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

As per our report of even date

For APT & Co. LLP
Chartered Accountants
FRN-014621C/N500088


(Nimish Kumar Sharma)
Partner
M.No. 514914
Place: Shimla
Date : May 22, 2023

**I. Company Information and Significant Accounting Policies****A. Reporting Entity**

SJVN Limited (the "Company") is a Company domiciled in India and limited by shares (CIN: L40101HP1988GOI008409). The shares of the Company are listed and traded on the National Stock Exchange of India Limited (NSE) and BSE Limited in India. The address of the company's registered office is Shakti Sadan, Shanan, Shimla-171006 (H.P.). These consolidated financial statements comprise the financial statements of the Company and its subsidiaries (referred to collectively as the 'Group') and the Group's interest in its joint ventures. Electricity generation is the principal business activity of the Group. The Group is also engaged in the business of providing consultancy.

B. Significant Accounting Policies**1.1 Basis of Preparation:**

These consolidated financial statements are prepared on going concern basis following accrual system of accounting and in compliance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.

These consolidated financial statements were authorized for issue by the Board of Directors on May 22, 2023.

Use of estimates and management judgments:

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

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that may have the most significant effect on the amount recognized in the financial statements are as under:

a) Useful life of Property, Plant & Equipment and intangible assets:

The estimated useful life of property, plant & equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditure required to obtain the expected future cash flow from the asset.

Useful life of the asset used for generation of electricity is determined by the Central Electricity Regulatory Commission (CERC) tariff regulations as mentioned in Part-B of schedule-II of the Companies act 2013 except for computer & peripherals, mobile phones, Furniture & Fixture, Office/ Electrical Equipment and solar & wind power plants which are as per management assessment.

b) Recoverable amount of property, plant and equipment and intangible assets:

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding, in particular, the expected market outlook and future cash flows associated with the power plants, Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

c) Post-employment benefits plan:

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

d) Revenues:

The group recognizes revenue from sale of power based on tariff approved by the CERC. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC tariff regulations / PPA signed with beneficiaries.

e) Regulatory deferral account balances:

Recognition of regulatory deferral account balances involves significant judgments including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

f) Investment in Joint Ventures:

Investment has been carried at cost and as per assessment by the group, there is no indication of impairment on such investments. Any changes in assumption may have a material impact on the measurement of the recoverable amount.

g) Provisions and contingencies:

The assessments undertaken in recognising provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has been made on the basis of best judgment by management regarding probable outflow of economic resources. Such estimation can change on occurrence of unforeseeable developments.

1.2 Basis of Measurement:

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

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

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

These consolidated financial statements are presented in Indian Rupees (₹), which is the Group's functional and presentation currency and all amounts are rounded to the nearest lakh, except as stated otherwise.

1.3 Basis of Consolidation:

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent group, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

a) Subsidiaries

- i) A subsidiary is an entity over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the



relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group.

- ii) The Group combines the financial statements of the parent and its subsidiaries on a line by line basis, adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries are consistent with the policies adopted by the Group.
- iii) A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction.
- iv) If the Group loses control over a subsidiary, it derecognizes the assets, liabilities, carrying amount of any non-controlling interests and the cumulative translation differences recorded in equity.

b) Joint ventures

- i) A joint venture is a joint arrangement whereby parties that have joint control of the arrangement have rights to the net assets of the arrangement. Interests in joint ventures are initially recognized at cost and thereafter accounted for using the equity method.
- ii) Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of the post-acquisition profits or losses and other comprehensive income of the investee in the Statement of Profit and loss and Other Comprehensive Income of the Group. Dividends received or receivable from joint ventures are recognized as a reduction in the carrying amount of the investment.
- iii) When the Group's share of losses in a joint venture equals or exceeds its investment in the entity, including any other unsecured long-term receivables, the Group does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint venture.
- iv) Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Where the accounting policies of joint ventures are different from those of the Group, appropriate adjustments are made for like transactions and events in similar circumstances to ensure conformity with the policies adopted by the group.
- v) Any gain or loss on dilution arising on a reduced stake in the joint venture, but still retaining the joint control, is recognized in the Statement of Profit and Loss.
- vi) When the investment ceases to be a joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value with the change in carrying amount recognized in the Statement of Profit and Loss. The fair value of the retained interest becomes the initial carrying amount for the purpose of accounting for the retained interest as an associate or as a financial asset. Any amounts previously recognized in other comprehensive income in respect of that joint venture are reclassified to the Statement of Profit and Loss.

1.4 Property, plant and equipment (PPE)

- a) The Group has opted to utilize the option under para D7AA of Appendix D to Ind AS 101 which permits to continue to use the Indian GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS. Therefore, the carrying amount of property, plant and equipment according to the Indian GAAP as at April 1, 2015 i.e. Group's date of transition to Ind AS, were maintained in transition to Ind AS.
- b) An item of PPE is recognized as an asset if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably.
- c) PPE are initially measured at cost of acquisition/construction including decommissioning or restoration cost wherever required. The cost includes expenditure that is directly attributable to the acquisition/construction of the asset. Where final settlement of bills

with contractors is pending/under dispute, capitalization is done on estimated/provisional basis subject to necessary adjustment in the year of final settlement.

- d) After initial recognition, Property, Plant & Equipment is carried at cost less accumulated depreciation/ amortisation and accumulated impairment losses, if any.
- e) Deposits, Payments/ liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
- f) Asset created on land not belonging to the group where the company is having control over the use and access of such asset are included under Property, Plant and Equipment.
- g) Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised when no future economic benefits are expected from its use or upon disposal. The costs of the day-to-day servicing of property, plant and equipment are recognised in statement of profit and loss as and when incurred. Other spares are treated as "stores & spares" forming part of the inventory and charged to statement of profit & loss when used / consumed.
- h) Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the group and the cost of the item can be measured reliably.
- i) Expenditure incurred on renovation and modernization of PPE on completion of the originally estimated useful life of the power station resulting in increased life and/or efficiency of an existing asset, is added to the cost of the related asset.
- j) Property, plant and equipment is derecognized when no future economic benefits are expected from its use or upon its disposal. Gains and losses on disposal of an item of property, plant and equipment is recognized in the statement of profit and loss.

1.5 Capital Work-in-progress

- a) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work-in-progress (CWIP). Such cost comprises of purchase price of asset including other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the intended manner.
- b) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, depreciation on assets used in construction of projects, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Expenditure Attributable to Construction (EAC)" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects. Net pre-commissioning income/ expenditure is adjusted directly in the cost of related assets.
- c) Capital Expenditure incurred for creation of facilities, over which the Group does not have control but the creation of which is essential for construction of the project is carried under "Capital Work-in-progress" and subsequently allocated on systematic basis over major immovable assets, other than land and infrastructure facilities on commissioning of projects. Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.
- d) Expenditure on Survey and Investigation of the Project is carried as capital work in progress and capitalized as cost of Project on completion of construction of the Project or the same is expensed in the year in which it is decided to abandon such project.
- e) Expenditure against "Deposit Works" is accounted for on the basis



of statement of account received from the concerned agency and acceptance by the group. However, provision is made wherever considered necessary.

- f) Claims for price variation/ exchange rate variation in case of contracts are accounted for on acceptance.

1.6 Non -Current Assets Held for Sale

The Group classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable.

Assets and disposal group identified/ approved for sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost to sell.

Non-current assets classified as held for sale are not depreciated or amortized.

1.7 Investment Property

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

1.8 Intangible Assets and intangible assets under development

- a) Intangible assets are identifiable non-monetary asset without physical substance. Intangible assets are recognised if:
- i. It is probable that the expected future economic benefit that are attributable to the asset will flow to the entity; and
- ii. the cost of the asset can be measured reliably
- b) Intangible assets acquired separately are measured on initial recognition at cost. After initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.
- c) Subsequent expenditure on already capitalized Intangible assets is capitalised when it increases the future economic benefits embodied in an existing asset and is amortised prospectively.
- d) Software (not being an integral part of the related hardware) acquired for internal use, is stated at cost of acquisition less accumulated amortisation and impairment losses, if any.
- e) An item of Intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

- f) Expenditure on development activities is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the company intends to & has sufficient resources to complete development and to use or sell the asset.
- g) Expenditure incurred which are eligible for capitalisation under intangible assets are carried as intangible assets under development till they are ready for their intended use.

1.9 Regulatory deferral accounts

- a) Expenses/ income recognized in the Statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized as 'Regulatory deferral account balances' as per Ind AS-114.
- b) Regulatory deferral account balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries.
- c) Regulatory deferral account balances are evaluated at each balance sheet date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If these criteria are not met, the regulatory deferral account balances are derecognised.

1.10 Impairment of non-financial assets

- a) The carrying amounts of the Group's non-financial assets primarily include property, plant and equipment, which are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU's) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of the Group. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The resulting impairment loss is recognised in the Statement of Profit and Loss.
- b) In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.
- c) Impairment losses recognized in earlier period are assessed at each reporting date for any indication that loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

1.11 Inventories

- a) Inventories mainly comprise stores and spare parts to be used for maintenance of Property, Plant and Equipment.
- b) Inventories and Certified Emission Reduction (CERs-Carbon Credit) are valued at the lower of cost and net realizable value.
- c) Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- d) Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
- e) Net realizable value of obsolete, unserviceable and surplus stores & spares is ascertained at the end of financial year and provided for, wherever required. Scrap is accounted for as and when sold.



1.12 Foreign Currency Transactions:

a) Functional and presentation currency:

These consolidated financial statements have been presented in Indian Rupees (₹), which is the Group's functional and presentation currency.

b) Transactions and balances

- i. Transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date. Non-monetary items denominated in foreign currency are reported at the exchange rate prevailing at the date of transaction.
- ii. Exchange differences arising on translation or settlement of monetary items are recognised in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of fixed assets entered up to March 31, 2016 are adjusted to carrying cost of fixed assets.
- iii. In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Group initially recognises the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration. The Group has elected to avail the exemption available under IND AS 101, with regard to continuation of policy for accounting of exchange differences arising from translation of long term foreign currency monetary liabilities.

1.13 Financial instruments – initial recognition, subsequent measurement and impairment

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

a) Financial Assets

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

Initial recognition and measurement:

- i. All financial assets except trade receivables are recognised initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit or loss.
- ii. The group measures the trade receivables at their transaction price if the trade receivables do not contain a significant financing component. A receivable is classified as a 'trade receivable' if it is in respect to the amount due from customers on account of goods sold or services rendered in the ordinary course of business.

Subsequent measurement:

- i. Financial Assets are measured at amortized cost or fair value through Other Comprehensive Income or fair value through Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.
- ii. After initial measurement, financial assets classified at amortised cost are subsequently measured at amortised cost using the effective interest rate (EIR) method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument. Amortised cost is

calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the statement of profit and loss.

- iii. Financial assets at fair value through other comprehensive income are measured at each reporting date at fair value. Fair value changes are recognized in the other comprehensive income (OCI). However, the group recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On derecognition of the financial asset other than equity instruments, cumulative gain or loss previously recognised in OCI is reclassified to the Statement of Profit and Loss.
- iv. Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income, is classified as financial assets at fair value through profit or loss. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit and Loss.

Impairment of financial assets:

- i. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.
- ii. In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss and follows 'simplified approach' for recognition of impairment loss allowance on trade receivables or contract assets resulting from transactions within the scope of Ind-AS 115.
- iii. The application of simplified approach does not require the group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
- iv. For recognition of impairment loss on other financial assets, the company assesses whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, ECL is provided. For assessing increase in credit risk and impairment loss, the group assesses the credit risk characteristics on instrument-by-instrument basis.
- v. Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the statement of profit and loss.

Derecognition:

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

b) Financial liabilities

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

Classification, initial recognition and measurement:

- a) Financial liabilities are recognised initially at fair value minus transaction costs that are directly attributable to the issue of financial liabilities. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognised in the Statement of Profit and Loss or in the "Expenditure Attributable to Construction" if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the effective rate of interest.
- b) Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Subsequent measurement:

- a) After initial recognition, financial liabilities are subsequently



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

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

Derecognition:

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

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.14 Investment in joint ventures and associates:

- a) A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.
- b) An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but does not have control or joint control over those policies.
- c) The investment in joint ventures and associates are carried at cost. The cost comprises price paid to acquire investment and directly attributable cost less impairment, if any.

1.15 Leases

The Group has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

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

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

i) As a lessee

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

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

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

Subsequently, the right-to-use assets is measured at cost less any

accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of lease liability. The Group applies Ind AS 36 to determine whether a ROU asset is impaired and accounts for any identified impairment loss as described in accounting policy 1.9 on "Impairment of non-financial assets".

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

The interest cost on lease liability is expensed in the Statement of Profit and Loss, unless eligible for capitalization as per accounting policy 1.17 on "Borrowing Cost".

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

ii) As a Lessor

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

For operating leases, rental income is recognised on a straight line basis over the term of the relevant lease.

1.16 Government Grants

- a) Government grants with a condition to purchase, construct or otherwise acquire long-term assets are initially measured based on grant receivable under the scheme. Such grants are recognised in the Statement of Profit and Loss on a systematic basis over the useful life of the asset. Amount of benefits receivable in excess of grant income accrued based on usage of the assets is accounted as Government grant received in advance. Changes in estimates are recognised prospectively over the remaining life of the assets.
- b) Government revenue grants relating to costs are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate.
- c) Non-monetary government grants are recorded at a nominal amount.

1.17 Borrowing costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes interest expense on lease liabilities recognized in accordance with Ind AS 116- 'Leases' and exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing costs directly attributable to the acquisition, construction/ erection or production of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. All other borrowing costs are expensed in the period in which they occur.

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

1.18 Provisions, Contingent Liabilities and Contingent Assets

- a) A provision is recognised when:
- the Group has present legal or constructive obligation as result of past event;
 - it is probable that an outflow of economic benefits will be required to settle the obligation; and
 - a reliable estimate can be made of the amount of the obligation.
- b) If the effect of the time value of money is material, provision are



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

- c) The amount recognised as provision is the best estimate of consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation.
- d) When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.
- e) Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.
- f) Liability for claims against the Group is recognized on acceptance by the Group/ receipt of award from the Arbitrator and the balance claim, if disputed/ contested by the contractor is shown as contingent liability. The claims prior to arbitration award stage are disclosed as contingent liability.
- g) Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgement of management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

1.19 Revenue Recognition and Other Income

Group's revenues arise from sale of energy, consultancy services and other income. Other income comprises interest from banks, employees, contractors etc., dividend from investments in joint venture companies, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

- a) Revenue from operations of the group mainly consists from plants regulated under the Electricity Act, 2003. Accordingly, the Central Electricity Regulatory Commission (CERC) determines the tariff on the norms prescribed in the tariff regulations as applicable from time to time. Revenue from sale of energy is accounted for as per tariff notified by Central Electricity Regulatory Commission (CERC). In case of power stations where the tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations. Further, recovery/refund towards foreign currency variation in respect of foreign currency loans is accounted for on year to year basis. Revenue from sale of energy is recognized once the electricity has been transmitted to customers and control over the product is transferred to the customers. As at each reporting date, revenue from operations includes an accrual for energy sales transmitted to customers but not yet billed (unbilled Revenue).
- b) Part of revenue from energy sale where CERC tariff Regulations are not applicable is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries
- c) Rebate to customers as early payment incentive is deducted from the amount of revenue from energy sales.
- d) Incentives/disincentives are accounted for based on the norms notified/approved by the Central Electricity Regulatory Commission.

- e) Recovery/ refund towards foreign currency variation in respect of foreign currency loans are recognised on year to year basis based on regulatory norms.
- f) Advance against depreciation considered as deferred income in earlier years is included in sales on straight line basis over the balance useful life after 31st March of the year closing after a period of 12 years from the date of commercial operation of the Hydro Power Station, considering the total useful life of the Hydro Power Station as 40 years.
- g) Revenue from consultancy services rendered is recognised in the statement of profit and loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to actual progress/ technical assessment of work executed, in line with the terms of respective consultancy contracts. Claims for reimbursement of expenditure are recognized as other income, as per the terms of consultancy contracts.
- h) Interest/Surcharge on late payment/ overdue sundry debtors for sale of energy are recognised when no significant uncertainty as to measurability or collectability exists.
- i) Dividend income is recognized when the group's right to receive payment is established.
- j) Interest/surcharge/liquidated damages recoverable from suppliers and contractors, wherever there is uncertainty of realisation/ acceptance are accounted for on receipts/acceptance.
- k) Interest income on financial assets as subsequently measured at amortized cost is recognised on a time-proportion basis using the effective interest method. Interest income on impaired loans/ receivable is recognised using the original effective interest rate.
- l) Income arising from sale of CERs-carbon credit is recognized on transfer/ sale of carbon credits i.e. when there is certainty regarding ultimate collection.
- m) Compensation from third parties including from insurance are accounted for on certainty of realization.

1.20 Employee Benefits

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

a) Defined Contribution Plans

- i) A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into separate trust and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the periods during which services are rendered by employees.
- ii) The group also has Defined Contribution Pension Scheme for providing pension benefit. The obligation of the company is to contribute the extent of amount not exceeding 30% of basic pay and dearness allowance less employer contribution/liability towards provident fund, gratuity, post-retirement medical facility (PRMF). The liability for the same is recognized on accrual basis. The scheme is funded by group and managed by separate trust created for this purpose.

b) Defined Benefit Plans

- i. A defined benefit plan is a post-employment plan other than a defined contribution plan.
- ii. The Group pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. The obligation of the group is limited to such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI.
- iii. The gratuity scheme is funded by the group and is managed by a separate trust. Group's liability is determined by the qualified actuary using the projected unit credit method at the year-end and any shortfall in the fund size maintained by the trust is additionally provided for by the group.



- iv. The group has a Post Retirement Medical Facility (PRMF), under which retired employees, spouse and eligible parents of retired employee are provided medical facilities in the group hospitals/ empanelled hospitals/ other hospitals. They can also avail treatment as Out- patient subject to rules and regulations made by the Group.
- v. The group also has other benefit plans allowance on retirement/ death and memento on superannuation.
- vi. The group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.
- vii. Service cost & net interest on the net defined benefit liability (asset) are recognised in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.
- viii. Re-measurements comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.
- c) Other Long-term employee benefits**
Benefits under the Group's leave encashment scheme constitute other long term employee benefits.
The Group's net obligation in respect of long-term employee benefits is the amount of future benefits that employees have earned in return for their service in the current and prior periods. The scheme is unfunded and liability for the same is recognised on the basis of actuarial valuation. Actuarial gains or losses are recognised in the Statement of Profit and Loss or included in the carrying amount of an asset if another standard permits such inclusion in the period in which they arise.
Benefits under the group's leave encashment, long-service award and economic rehabilitation scheme constitute other long term employee benefits.
The group's net obligation in respect of these long-term employee benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the group's obligations and that are denominated in the same currency in which the benefits are expected to be paid.
The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. Any actuarial gains or losses are recognized in statement of profit and loss account in the period in which they arise.
The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.
- d) Short-term Benefits**
Short-term employee benefit obligations are measured on an undiscounted basis and are expensed in the period in which the service is provided.
- e) Terminal Benefits**
Expenses incurred on terminal benefits in the form of ex-gratia

payments and notice pay on voluntary retirement schemes, if any, are charged to the profit and loss in the year of incurrence of such expenses.

1.21 Depreciation and amortization

- a) Depreciation on Property, Plant & Equipment of Operating Units of the Group is charged to the Statement of Profit & Loss on straight-line method following the rates and methodology as notified by CERC for the fixation of tariff in accordance with Schedule-II of the companies act 2013 except for assets specified in policy no. 1.21(c) below.
- b) Depreciation on Property, Plant & Equipment of other than Operating Units of the Group is charged to the extent of 90% of the cost of the asset following the rates notified by CERC for the fixation of tariff except for assets specified in policy no. 1.21(c) below.
- c) Depreciation on the following items of Property, Plant and Equipment is charged on straight line method on estimated useful life:
- Computer & Peripherals depreciated fully (100%) in 3 years.
 - Mobile Phones depreciated fully (100%) in 2 years.
 - Furniture & Fixture, Office Equipment and Electrical Equipment are depreciated in 5-15 years with residual value of 10%.
 - Solar and Wind Power plants which are not governed by CERC regulation are depreciated in 25 years with residual value of 10%. The useful life of these assets are reviewed at each financial year end and adjusted prospectively, wherever required.
- d) Depreciation on additions to /deductions from Property, Plant & Equipment during the year is charged on pro-rata basis from / up to the month on which the asset is available for use / disposed.
- e) Temporary erections are depreciated fully (100%) in the year of acquisition /capitalization.
- f) Assets costing upto ₹ 5000/- are fully depreciated in the year of acquisition.
- g) Expenditure on software recognized as 'Intangible Asset' and is amortized fully on straight line method over a period of legal right to use or three years, whichever is less. Other intangible assets with a finite useful life are amortized on a systematic basis over its useful life. The amortisation period and the amortisation method of intangible assets with a finite useful life is reviewed at each financial year end.
- h) Right-of-use land and buildings relating to generation of electricity business governed by CERC Tariff Regulations are fully amortized over lease period or life of the related plant whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.
Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized over lease period or life of the related plant whichever is lower.
Other Right of use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.
- i) Tangible Assets created on leasehold land are depreciated to the extent of 90% of original cost over the balance available lease period of respective land from the date such asset is available for use or at the applicable depreciation rates & methodology notified by CERC tariff regulations for such assets, whichever is higher.
- j) Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, settlement of arbitration/court cases, change in duties or similar factors, the unamortized balance of such assets is depreciated prospectively over the residual life of such asset determined following the applicable accounting policies relating to depreciation/



amortization.

- k) Where the life and / or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along with its unamortized depreciable amount is charged prospectively over the revised / remaining useful life determined by technical assessment.
- l) Spares parts procured along with the Plant & Machinery or subsequently which are capitalized and added in the carrying amount of such item are depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by the CERC.
- m) Expenditure on Catchment Area Treatment (CAT) Plan during construction is capitalized along with dam/civil works. Such expenditure during O&M stage is charged to revenue in the year of incurrence of such expenditure.

1.22 Income Taxes

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

a) Current income tax

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

b) Deferred tax

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

Deferred tax is recognised in the statement of profit and loss except to the extent that it relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT credit is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future taxable profit will be available against which MAT credit can be utilized.

1.23 Dividend Distribution:

- a) Final Dividends and interim dividends payable to Group's shareholders are recognized and accounted for in the period in which they are approved by the shareholders and the Board of Directors respectively.

1.24 Segment Reporting:

- a) Segments have been identified taking into account nature of product and differential risk and returns of the segment. These business segments are reviewed by the Management.
- b) Electricity generation is the principal business activity of the group. Other operations viz., Consultancy works etc. do not form a reportable segment as per the Ind AS -108 - 'Operating Segments'.
- c) The group is having a single geographical segment as all its Power Stations are located within the Country.

1.25 Statement of Cash Flows

- a) Cash and cash equivalents includes cash/Drafts/Cheques on hand, deposits held at call with financial institutions, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. However for Balance Sheet presentation, bank overdrafts are shown within "Borrowings" under current liabilities.
- b) Statement of cash flows is prepared in accordance with the indirect method (whereby profit or loss is adjusted for effects of non-cash transactions) prescribed in Ind AS-7 "Statement of Cash Flows"

1.26 Material prior period errors

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

1.27 Earnings per share

- a) Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the financial year.
- b) Diluted earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Group by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.
- c) Basic and diluted earnings per equity share are also presented using the earnings amounts excluding the movements in regulatory deferral account balances.

1.28 Current versus non-current classification

The Group presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- a) Expected to be realised or intended to be sold or consumed in the normal operating cycle
- b) Held primarily for the purpose of trading
- c) Expected to be realised within twelve months after the reporting period, or
- d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.



2.1 Property, Plant & Equipment As at March 31, 2023

Sl.No.	Particulars	Gross Block			Depreciation		Net Block As at March 31, 2023
		As at April 1, 2022	Additions during the year	Deductions/ Adjustments	As at March 31, 2023	As at April 1, 2022	
1	Land	76201	40496	(328)	117025	-	117025
	Freehold (including development expenses) (refer footnote (a) below)						
	Right of use	2935	559	421	2424	197	401
2	Buildings	141167	5362	(477)	147006	4865	35078
	Freehold (refer footnote (b) & (c) below)						
	Right of use	19282	727	1894	18115	1121	2941
3	Roads and Bridges	7496	1301	-	8797	382	2046
4	Plant and Machinery	2828	387	4	3211	720	854
5	Generating Plant and Machinery	300412	43244	1963	341693	100495	111614
6	Hydraulic Works(Dams, Tunnel, etc.)	533107	2158	476	534789	19517	204190
7	Vehicles						
	Owned	955	68	160	863	74	327
	Right of use	2553	1179	2318	1414	1699	580
8	Furniture, Fixture and Equipments	3187	1082	29	4240	271	1174
9	Electrical Works	4262	934	-	5196	212	1361
10	Electrical Equipments	1050	673	30	1693	118	341
11	Office Equipments	4205	161	101	4265	269	1614
12	Data processing Equipments	1753	320	201	1872	298	1381
13	Right of use- Solar Park	11352	7304	(649)	19305	-	-
	Total	1112745	105955	6143	1211908	39958	363902

As at March 31, 2022

Sl.No.	Particulars	Gross Block			Depreciation		Net Block As at March 31, 2022
		As at April 1, 2021	Additions during the year	Deductions/ Adjustments	As at March 31, 2022	For the year	
1	Land	72143	4728	670	76201	-	76201
	Freehold (including development expenses) (refer footnote (a) below)						
	Right of use	1948	1010	23	2935	78	254
2	Buildings	137981	4482	1296	141167	25633	30167
	Freehold (refer footnote (b) & (c) below)						
	Right of use	19108	262	88	19282	2348	3336
3	Roads and Bridges	6639	857	-	7496	1448	1666
4	Plant and Machinery	2558	274	4	2828	608	720
5	Generating Plant and Machinery	298576	1966	130	300412	87340	100495
6	Hydraulic Works(Dams, Tunnel, etc.)	531556	1551	-	533107	165720	184719
7	Vehicles						
	Owned	699	274	18	955	244	289
	Right of use	2508	379	334	2553	1489	1699
8	Furniture, Fixture and Equipments	2990	224	27	3187	729	913
9	Electrical Works	4026	237	1	4262	964	1149
10	Electrical Equipments	825	265	40	1050	208	231
11	Office Equipments	3980	328	103	4205	1178	1432
12	Data processing Equipments	1500	301	48	1753	1011	1275
13	Right of use- Solar Park	-	11352	-	11352	-	-
	Total	1087037	28490	2782	1112745	289120	328345

- (a) Possession of freehold land measuring 00-20-39 hectare (P.Y.: 00-20-39 hectare) is still to be handed over to the group.
(b) Title deeds/ title in respect of buildings costing ₹ 15 lakh (P.Y.: ₹ 15 lakh) are yet to be executed / passed in favour of the group. Expenses on stamp duty etc. shall be accounted for on registration.
(c) Includes ₹2448 lakh (P.Y.: Nil) capitalised during the year on account of provision made on the basis of arbitration award
(d) Information regarding property, plant and equipment pledged as security by the group has been given in the note no. 2.22
(e) Detail of immovable property whose title deeds are not held in the name of the group is given in the note no. 2.55.
(f) Possession of ROU-Solar Park having value amounting to Nil (P.Y.: ₹ 7095 lakh) is still to be handed over to the group.
(g) Land measuring 7.075 acres (P.Y.: 7.075 acres) is not in possession of the group and has not been mutated.



2.1 (a) Deductions/ Adjustments from gross block and depreciation for the year includes: (₹ Lakh)

Particulars	Gross block		Depreciation	
	For the Year Ended March 31, 2022	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022	For the Year Ended March 31, 2023
Disposal of assets	1071	388	377	75
Retirement of assets	1417	56	794	49
Writeback of excess capitalisation		185		58
Assets classified as held for sale *		1618		11
Others **	3655	535	3230	387
Total	6143	2782	4401	580

*Assets classified as held for sale includes land and buildings which are underutilised and not yielded the appropriate returns have been transferred from Property, plant & equipments and classified as held for sale. The process of sale of these assets is under process and likely to be completed within next twelve months. (Refer note no. 2.17)
Others Includes:

- Decapitalisation of land during the year Nil (P.Y. measuring 16-18-02 hectare amounting to ₹ 137 lakh) taken over by Govt. of Himachal Pradesh in the year 2017 which was lying unused/ vacant out of the land acquired for the construction of Nathpa Jhakri Hydro Power Project.
- Decapitalisation of land during the year Nil (P.Y. measuring 03-20-82 hectare amounting to ₹ 27 lakh) given to landless families under rehabilitation and resettlement plan of Nathpa Jhakri Hydro Power Project. Possession of the land has already been given to landless families, however, the mutation of the same in the name of the landless families is under process.

2.2 Capital Work-in-progress

Sl.No.	Particulars	As at April 1, 2022	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2023	Capitalised during the year	As at March 31, 2023
1	Building	8361	6238	15	14584	5302	9282
2	Civil Works	176138	134682	-	310820	2158	308662
3	Roads, Bridges & Culverts	26654	1784	-	28438	1301	27137
4	Plant and Machinery	330128	270666	36040	564754	331	564423
5	Electrical Works	1740	768	-	2508	84	2424
6	Electro Mechanical Works	41602	234788	(36040)	312430	40002	272428
7	Preliminary	31201	2664	1180	32685	-	32685
8	Expenditure on Compensatory Afforestation/CAT Plan	27713	9	-	27722	-	27722
9	Expenditure Attributable to Construction (Note 2.2.1)	140400	92053	-	232453	3261	229192
10	Railway siding	6114	410	-	6524	-	6524
11	Sub-station	7660	6602	-	14262	793	13469
12	Transmission Lines	39194	34245	-	73439	-	73439
	Total	836905	784909	1195	1620619	53232	1567387

As at March 31, 2022

Sl.No.	Particulars	As at April 1, 2021	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2022	Capitalised during the year	As at March 31, 2022
1	Building	6585	6509	1067	1207	3666	8361
2	Civil Works	85314	91021	(1349)	177684	1546	176138
3	Roads, Bridges & Culverts	23787	2565	(1158)	27510	856	26654
4	Plant and Machinery	134795	201098	5472	330421	293	330128
5	Electrical Works	1782	188	(2)	1972	232	1740
6	Electro Mechanical Works	8663	33073	(1754)	43490	1888	41602
7	Preliminary	39248	6000	14047	31201	-	31201
8	Expenditure on Compensatory Afforestation/CAT Plan	17698	10015	-	27713	-	27713
9	Expenditure Attributable to Construction (Note 2.2.1)	107355	35246	2201	140400	-	140400
10	Railway siding	4111	2005	2	6114	-	6114
11	Sub-station	-	7660	-	7660	-	7660
12	Transmission Lines	-	27331	(11863)	39194	-	39194
	Total	429338	422711	6663	845386	8481	836905



2.2 (a) Capital-Work-in Progress (CWIP) aging schedule
As at March 31, 2023

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	776732	382006	204549	165720	1529007
Projects temporarily suspended *	377	1029	697	17087	19190
Total	777109	383035	205246	182807	1548197

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	422711	214026	109562	71793	818092
Projects temporarily suspended *	1029	697	1505	15582	18813
Total	423740	214723	111067	87375	836905

*Devsari Hydro Electric Project located in the State of Uttarakhand, survey and investigation work of the which has been put on hold as per the direction of the Ministry of Power, Govt. of India vide letter dated

2.2 (b) Capital-Work-in Progress (CWIP) whose completion is overdue or has exceeded its cost compared to its original plan:
As at March 31, 2023

CWIP	To be completed in			Total
	Less than 1 year	1-2 years	2-3 years	
Natwar Mori Hydro Electric Project	117656	-	-	117656
Bagodra Solar Power Project	19840	-	-	19840
Total	137496	-	-	137496

CWIP	To be completed in			Total
	Less than 1 year	1-2 years	2-3 years	
Natwar Mori Hydro Electric Project	73704	-	-	73704
Total	73704	-	-	-



2.2.1 Expenditure Attributable to Construction

Particulars	(₹ Lakh)	
	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Employee Benefit Expenses:		
Salaries, Wages, Allowances and Benefits	19545	14138
Contribution to Provident and Other Funds	1897	1725
Leave Salary and Pension Contribution *	23	25
Welfare Expenses	4067	2897
	25532	18785
Repair and Maintenance:		
Buildings	137	112
Roads	250	358
Plant & Machinery	46	24
Office Equipments & Furnitures	11	8
Vehicles	41	33
Others	594	455
	1079	990
Other Expenses:		
Rent	196	103
Rates & Taxes	10	5
Insurance	31	22
Security Expenses	828	645
Electricity Charges	610	468
Travelling & Conveyance	613	231
Training and Recruitment Expenses	498	330
Less:- Cost of Application Forms Received	-	-
	498	330
Legal Expenses	106	26
Professional and Consultancy Charges	2028	1445
Communication Expenses	376	319
Printing & Stationery	98	129
Payment to Auditors	2	-
Advertisement & Publicity	86	143
EDP Expenses	639	196
Hiring of Vehicles	1216	817
Entertainment Expenses	52	41
Expenses on Transit Camps	386	288
Books & Periodicals	6	8
C.S.R./ Sustainable Development Expenses	1	-
Loss on Disposal/Write off of Fixed Assets	150	1
Foundation Stone Laying Ceremony Expenses	11	182
Business Promotion Expenses	66	45
Fees and subscription	502	144
Environment & Ecology Expenses	493	241
Tender Expenses	106	54
Less: Receipts from Sale of Tenders	10	4
	96	50
Miscellaneous Expenses **	1842	482
Exchange Rate Variation	1156	119
Rehabilitation Expenses	128	832
Local Area Development Expenses	258	72
Depreciation and Amortization Expense	1777	968
Interest and Finance Charges:		
Interest on Non- Convertible Bonds	2391	778
Foreign Currency Loans	5601	76
Interest on rupee term loans	35107	4905
Finance charges on lease liabilities	407	67
Exchange differences regarded as adjustment to borrowing costs.	9585	1343
Other finance charges	927	671
Total expenses (A)	94890	35967
Less: Recovery and Receipts:		
Interest Income:		
Banks	2286	350
Contractors	900	229
Misc Income	269	142
Total (B)	3455	721
Net expenditure attributable to construction Projects (A-B)	91435	35246

*Leave Salary and Pension Contribution is on account of retirement benefits of deputationists working in the company payable to their parent organisations.

**Misc. Expenses include an amount of ₹1167 lakh (P.Y. Nil) on account of crop/ blast damage compensation in respect of Luhri Hydro Electric Project -1. Corporate expenditure which is directly attributable to construction have been allocated to projects on the basis of accretion to CWIP.



2.3 Intangible Assets As at March 31, 2023		Gross Block				Depreciation			Net Block
Sl.No.	Particulars	As at April 1,2022	Additions during the year	Deductions/ Adjustments	As at March 31, 2023	As at April 1,2022	For the year	Deduction	As at March 31, 2023
1	Software	4719	536	287	4988	2569	1721	265	4025
	Total:	4719	536	287	4988	2569	1721	265	4025
As at March 31, 2022									
Sl.No.	Particulars	As at April 1,2021	Additions during the year	Deductions/ Adjustments	As at March 31, 2022	As at April 1,2021	For the year	Deduction	As at March 31, 2022
1	Software	3763	956	-	4719	977	1592	-	2569
	Total:	3763	956	-	4719	977	1592	-	2569

2.4 Intangible Assets under Development As at March 31, 2023		Gross Block				Depreciation			Net Block
Sl.No.	Particulars	As at April 1,2022	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2023	Capitalised during the year 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023
1	Software	41	140	41	140	140	-	-	-
	Total	41	140	41	140	140	-	-	-
As at March 31, 2022									
Sl.No.	Particulars	As at April 1,2021	Additions during the year	Transfers/ Adjustments	Total WIP as at March 31, 2022	Capitalised during the year 2022	As at March 31, 2022	As at March 31, 2022	As at March 31, 2022
1	Software	489	467	3	953	912	41	-	-
	Total	489	467	3	953	912	41	-	41

2.4 (a) Intangible assets under development aging schedule As at March 31, 2023		Amount in intangible assets under development for a period of			Total
Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	(₹ Lakh)
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-
Total	-	-	-	-	-
As at March 31, 2022					
Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	(₹ Lakh)
Projects in progress	41	-	-	-	41
Projects temporarily suspended	-	-	-	-	-
Total	41	-	-	-	41

2.4 (b) Intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan: As at March 31, 2023		To be completed in			Total
Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	(₹ Lakh)
Intangible assets under development	-	-	-	-	-
Total	-	-	-	-	-
As at March 31, 2022					
Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	(₹ Lakh)
Intangible assets under development	-	-	-	-	-
Total	-	-	-	-	-



2.5 Investments accounted for using Equity Method

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Investment in Equity instruments		
Non Trade-Unquoted (at cost)		
Joint Venture Companies		
Kholongchhu Hydro Energy Ltd.*	-	24043
Cross Border Power Transmission Company Ltd.	3409	3299
Total	3409	27342

*Consequent upon the approval of Shareholders of Kholongchhu Hydro Energy Limited (KHEL) in 5th Extra ordinary Meeting (EGM) held on December 30,2022, SJVN had transferred all its entire shareholding in KHEL to Druk Green Power Corporation (DGPC) Bhutan against payment of equity contribution of SJVN in KHEL along with interest @ 9% per annum with monthly compounding till the date of payment to SJVN. The amount received on transfer of share in excess of cost of shares has been shown under other income note no. 2.34

2.6 Investments

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Others		
17500000 (P.Y:17500000) Equity Shares of ₹1/- each in Power Exchange Limited (Formerly Pran Urja Solution Limited)	175	175
Total Investment in Equity Instruments	175	175
Other Investment		
60 Fully Paid up Ordinary shares of ₹ 50/-each in NJP Employees Consumer Co-operative Store, Jhakri (₹ 3000/-)	-	-
Total Other Investment	-	-
Total Investments	175	175

2.7 Loans

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Loans to Related Parties		
Loans to Directors		
- Secured considered good	2	45
- Unsecured considered good	-	7
- Doubtful	-	-
	2	52
Other Loans		
Loan to officers of the Group		
- Secured considered good	395	120
- Unsecured considered good	91	12
- Doubtful	-	-
	486	132
Loans to other Employees		
- Secured considered good	8096	8700
- Unsecured considered good	241	386
- Doubtful	-	-
	8337	9086
Other Advances:		
Unsecured considered good		
-Directors	2	-
-Officers of the Group	-	-
-Other Employees	537	414
	539	414
Total	9364	9684
Loans to relatives of related party		

2.8 Other financial assets

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Security Deposits	872	625
Bank Deposits with more than 12 months maturity *	23204	17825
Interest Accrued but not due on deposits with Banks	1414	496
Total	25490	18946

* Pledged with banks for bank guarantee/Letter of Credit etc. which are likely to be extended/matured beyond 31.03.2024



**2.9 Deferred Tax Assets (Net)
As at March 31, 2023**

(₹ Lakh)

	As at April 1,2022	Additions/ (Adjustments) during the period	As at March 31, 2023
Deferred Tax Assets			
Temporary difference in carrying amount of PPE/ Intangible assets	9759	(3099)	6660
Temporary difference in Provisions	3206	360	3566
Deferred revenue	25916	(1127)	24789
MAT credit entitlement/ Carry forward losses	14090	(1472)	12618
Total	52971	(5338)	47633

As at March 31, 2022

(₹ Lakh)

	As at April 1,2021	Additions/ (Adjustments) during the period	As at March 31, 2022
Deferred Tax Assets			
Temporary difference in carrying amount of PPE/ Intangible assets	13131	(3372)	9759
Temporary difference in Provisions	2967	239	3206
Deferred revenue	27042	(1126)	25916
MAT credit entitlement	19132	(5042)	14090
Total	62272	(9301)	52971

2.10 Other Non - current Assets

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Capital Advances		
Advances to Suppliers and Contractors		
Secured by hypothecation of Equipment/Material	21387	21153
Unsecured considered good		
-Covered by Bank Guarantees	74849	16297
-Others	4921	3633
Advances to Govt Departments	44615	38167
Less: Provision for Expenditure	201	201
	44414	37966
Total - Capital Advances	145571	79049
Other Advances		
Accrued Interest on Advances to Contractors	139	671
Less: Provision For Bad/Doubtful Debts/Advances		
	139	671
Advance Tax	65141	169076
Tax Deducted at Source	3870	10280
	69011	179356
Less: Provision for Tax	51713	164649
	17298	14707
Total - Other Advances	17437	15378
Others		
Prepaid Expenses	6	3485
Deferred Employee Benefits Expense	2673	1543
Total - Others	2679	5028
Total Other Non Current Assets	165687	99455

2.11 Inventories

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
INVENTORIES		
Loose Tools	-	-
Stores and Spares	7280	6270
	7280	6270
Less : Provision for Shortage of store and Obsolescence	-	4
Total	7280	6266

Inventories are valued at the lower of cost arrived at on weighted average basis and net realizable value.



2.12 Trade Receivables

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Secured considered good	-	-
Unsecured considered good	27684	57503
Doubtful	402	402
	28086	57905
Less: Provision for Doubtful Debts	402	402
Total	27684	57503

- Ageing schedule of trade receivables has been given in Note no. 2.53
- Based on arrangement between group, banks and beneficiaries, the bills of the beneficiaries have been discounted. Accordingly, trade receivables have been disclosed net of bills discounted amounting to ₹ 25892 lakh (P.Y. ₹24807 lakh) (refer note no. 2.50)
- Trade receivables are net off amount refundable to beneficiaries on account of tariff order of CERC dated 24.01.2022 in respect of Rampur Hydro Power Plant amounting to Nil (P.Y. ₹6677 lakh).
- Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 notified on 3 June 2022, provides that the outstanding dues of the beneficiaries including late payment surcharge (LPSC) upto the date of the said notification shall be rescheduled upto a maximum period of 46 months in the manner prescribed in the said Rules and no LPSC shall be charged on the outstanding dues from the date of notification subject to application to be made by the beneficiaries in this regard. Trade Receivables include an amount of ₹ 21364 due from JKPCL, one of the beneficiary, who had applied for rescheduling of their payment of dues under these Rules.
- JKPCL, one of the beneficiaries, has not renewed the letter of credit (LC) since 2019. However, JKPCL has signed tri-party agreement under payment security mechanism, whereby, the recovery of outstanding dues of CPSE is ensured.

2.13 Cash and Cash Equivalents

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Balances with Banks		
Current Accounts	26785	2881
Term Deposits (having original maturity of upto 3 months)	6380	45
	33165	2926
Cheques & Drafts in hand	-	3
Total	33165	2929

2.14 Others Bank Balances

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Earmarked Balance (Unpaid Dividend)	148	140
Margin Money for BG/ Letter of Credit and Pledged deposits	191082	73702
Other Term Deposits(having original maturity of more than 3 months and maturing within 12 months)	148749	213432
Total	339979	287274

2.15 Loans

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Loans to Related Parties		
Loans to Directors		
- Secured considered good	5	15
- Unsecured considered good	-	6
- Doubtful	-	-
	5	21
Loans to Other Related Parties (Including Accrued interest)		
Subsidiaries:		
- Secured considered good	-	-
- Unsecured considered good	-	-
- Doubtful	-	-
	-	-
Other Loans		
Loan to officers of the Group:		
- Secured considered good	225	71
- Unsecured considered good	76	15
- Doubtful	-	-
	301	86
Loans to other Employees		
- Secured considered good	1157	1176
- Unsecured considered good	121	185
- Doubtful	-	-
	1278	1361



	As At March 31, 2023	As At March 31, 2022
Other Advances:		
Unsecured considered good		
-Directors	4	21
-Officers of the Group	86	87
-Other Employees	697	687
	787	795
Total Loans	2371	2263

2.16 Other Financial Assets

	As At March 31, 2023	As At March 31, 2022
		(₹ Lakh)
Security Deposits	12	6
Interest Accrued but not due on deposits with Banks	5087	4916
Unbilled Revenue	41154	24908
Amount Receivable for Late Payment Surcharge	-	-
Amount Recoverable from Contractors & Suppliers	11113	10694
Amount Receivable from Joint Ventures	-	12
Amount Receivable from Others	209	353
Total Other Financial Assets	57575	40889

2.17 Other Current Assets

	As At March 31, 2023	As At March 31, 2022
		(₹ Lakh)
Advances other than Capital Advances		
Other Advances		
Advances to Officers of the Group	-	-
Advances to other employees of the Group	22	4
	22	4
Advance to Suppliers and Contractors		
- Secured considered Good	-	-
- Unsecured considered good	95	193
- Doubtful	9	9
	104	202
Less Provision for Doubtful Advances	9	9
	95	193
Accrued Interest on Advances to Contractors	-	-
Advances to Govt Departments		
- Secured considered Good		
- Unsecured considered good *	9411	9195
- Doubtful		
	9411	9195
Less Provision for Expenditure	1273	1273
	8138	7922
Advances to Others		
- Secured considered Good	-	-
- Unsecured considered good	449	202
- Doubtful		
	449	202
Less Provision for Doubtful Advances	-	-
	449	202
Others		
Surplus Stores/Equipments	1206	674
Less: Provision for Shortage/ Obsolescence	1081	644
	125	30
Prepaid Expenses	4547	4490
Deferred Employees Benefits Expense	326	335
Amount Recoverable from Ex-Employees	-	-
Less: Provisions	-	-
	-	-
Other	13	9
Total	13715	13185

*Includes an amount of ₹ 1144 lakh (P.Y.: ₹ 1144 lakh) paid to Govt of Himachal Pradesh (GoHP) during F.Y. 2014-15 towards lease rent for diverted forest land of RHPS which has been protested by the group and included in amount recoverable from Government Departments. As per letter no F.NO II-79/2005-FC dated 01.06.2006 and F.NO II-306/2014-FC dated 08.08.2014 of Ministry of Environment and Forest (FC Division) GOI, no fresh conditions can be imposed by the States without the prior approval of the Central Government subsequent to the approval granted by the Central Government under the Forest (Conservation) Act 1980. As no fresh condition imposed by the Central Government to charge the lease amount and execute the lease deed, the amount has been shown under Other Advances.



2.18 Assets held-for-sale

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Land	506	506
Buildings	1119	1101
Total	1625	1607

Land and buildings which are underutilised and not yielded the appropriate returns have been transferred from Property, plant & equipments and classified as held for sale. The process of sale of these assets is under process and likely to be completed within next twelve months.

2.19 Regulatory Deferral Account Debit Balance

(₹ Lakh)			
As at March 31, 2023			
	As at April 1,2022	Movement during the year	As at March 31, 2023
Foreign exchange rate variation on foreign currency loans	26693	7195	33888
Employee benefits expense (pay revision)	23772	(14827)	8945
Interest on arbitration award	28341	6384	34725
O&M / Security Expenses recoverable in tariff	2054	-	2054
Total	80860	(1248)	79612

(₹ Lakh)			
As at March 31, 2022			
	As at April 1,2021	Movement during the year	As at March 31, 2022
Foreign exchange rate variation on foreign currency loans	25151	1542	26693
Employee benefits expense (pay revision)	23772	-	23772
Interest on arbitration award	25782	2559	28341
O&M / Security Expenses recoverable in tariff	11465	(9411)	2054
Total	86170	(5310)	80860

Disclosures as per Ind AS 114 'Regulatory Deferral Accounts' are provided in Note no. 2.52

2.20 Equity Share Capital

	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
AUTHORISED				
Equity Shares of par value ₹ 10/- each	7000000000	700000	7000000000	700000
ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity Shares of par value ₹ 10/- each fully paid up	3929795175	392980	3929795175	392980
Total		392980		392980

The Company has only one class of equity shares having par value of ₹10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their shareholding at the meeting of shareholders.

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

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of shares	%	No. of shares	%
President of India	2354802133	59.92	2354802133	59.92
Governor of Himachal Pradesh	1055014800	26.85	1055014800	26.85

2.20.2 20,68,31,325 equity shares of ₹ 10 each were bought back by the company during the Financial Year 2017-18

2.20.3 Details of shareholding of promoters : As at March 31, 2023

Promoter Name	As at March 31, 2023		
	No. of shares	% of total shares	% Change during the year
President of India	2354802133	59.92	-
Governor of Himachal Pradesh	1055014800	26.85	-

As at March 31, 2022

Promoter Name	As at March 31, 2022		
	No. of shares	% of total shares	% Change during the year
President of India	2354802133	59.92	-
Governor of Himachal Pradesh	1055014800	26.85	-



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

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of Shares	Amount (₹ Lakh)	No. of Shares	Amount (₹ Lakh)
Number of shares at the beginning	3929795175	392980	3929795175	392980
Number of shares at the end	3929795175	392980	3929795175	392980

2.20.5 Dividends:

Dividends Paid and recognised during the year

(₹ Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
Final dividend for the F.Y. 2021-22 @ ₹0.55 (P.Y. ₹0.40) per share	21614	15719
Interim dividend for the F.Y. 2022-23 @ ₹1.15 (P.Y. ₹1.15) per share	45193	45193
	66807	60912

Dividends not recognised at the end of the reporting period

(₹ Lakh)

Particulars	As at March 31, 2023	As at March 31, 2022
The Board of Directors of the company have proposed final dividend for the year 2022-23 @ ₹0.62 (P.Y. ₹0.55) per share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.	24365	21614
	24365	21614

2.21 Other Equity

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
A Capital Redemption Reserve *		
Opening Balance	20683	20683
Closing Balance	20683	20683
B Retained Earnings		
Opening Balance	903371	865466
Add: Profit for the Year as per Statement of Profit and Loss	135930	98980
Add: Other comprehensive income during the year	(203)	(163)
Less: Dividends		
Final Dividend Paid	21614	15719
Interim Dividend Paid	45193	45193
Closing Balance	972291	903371
Total Other Equity(A+ B)	992974	924054

*Capital Redemption Reserve has been created from distributable profit for the buyback of the shares in the FY 2017-18. There is no movement in the Capital Redemption Reserve during the year.

2.22 Borrowings

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
A Bonds/ Debentures		
Unsecured		
6.10% unsecured non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at face value on September 29, 2026 (Series 1)	100000	100000
Total (A)	100000	100000
B Term Loans		
From Banks:		
Secured		
Rupee Term Loans		
Punjab National Bank (refer footnote (a) below)	-	20874
Repayable in quarterly instalments from June 2024 to March 2035 at floating (MCLR with annual reset). Prepayment of full loan amount (P.Y. ₹ 12381 lakh) has been made during the year.		
HDFC Bank Limited (refer footnote (b) below)	4444	8894
Repayable in quarterly instalments from September 2020 to December 2023, carrying interest @ 5.90% p.a. (linked with Repo rate)		
Himachal Pradesh State Co-operative Bank Limited (refer footnote (c) below)	18250	-
Repayable in quarterly instalments from June 2027 to March 2042, carrying interest @ 3 Months declared MCLR of SBI plus 0.06% p.a.		
State Bank of India (refer footnote (d) below)	27717	-
Repayable in quarterly instalments from June 2027 to March 2045, carrying interest @ 3Months MCLR plus 0.25% p.a.		
State Bank of India (refer footnote (g) below)	50841	4500



	As At March 31, 2023	As At March 31, 2022
Repayable in quarterly instalments from July 2025 to Jan 2039 at floating (MCLR with annual reset+.30%) interest rate of 8.80% p.a. as on 31.03.2023 Export Import Bank Ltd. (g)	19860	15000
Repayable in quarterly instalments from July 2025 to Jan 2039 at floating (MCLR with annual reset+.30%) interest rate of 8.80% p.a. as on 31.03.2023 Canara Bank (refer footnote (f) below)	-	38138
State Bank of India (refer footnote (f) below)	-	47082
Union Bank of India (refer footnote (g) below)	10986	-
Repayable in quarterly instalments from July 2025 to Jan 2039 at floating (UBI 1 year MCLR or SBI 1 year MCLR +.30% which ever is higher with annual reset) interest rate of 8.80% p.a. as on 31.03.2023 Canara Bank (refer footnote (g) below)	23351	-
Repayable in quarterly instalments from July 2025 to Jan 2039 at floating (Canara 1 year MCLR or SBI 1 year MCLR +.30% which ever is higher with annual reset) interest rate of 7.35% p.a. as on 31.03.2023 Punjab National Bank (refer footnote (g) below)	25913	-
Repayable in quarterly instalments from July 2025 to Jan 2039 at floating (PNB 1 year MCLR or SBI 1 year MCLR with annual reset+.30% which ever is higher) interest rate of 8.80% p.a. as on 31.03.2023 Everest Bank (refer footnote (g) below)	4960	-
Repayable in quarterly instalments from July 2025 to Jan 2039 at floating (Quarterly Base Rate +0.34% P.a. with Quarterly reset) interest rate of 10.31% p.a. as on 31.03.2023 NABIL Bank (refer footnote (g) below)	5728	-
Repayable in quarterly instalments from July 2025 to Jan 2039 at floating (Quarterly Base Rate +0.70% P.a. with Quarterly reset) interest rate of 10.80% p.a. as on 31.03.2023		
Unsecured		
Foreign Currency Loans		
Punjab National Bank, Dubai	243164	223028
Repayable after 5 years from the date of drawl starting w.e.f. september 2026 carrying interest @ 6M LIBOR+spread 1.30% p.a.		
Rupee Term Loans		
Bank of Baroda	139566	-
Repayable in monthly instalments from April 2023 to September 2037 carrying interest @ overnight MCLR plus spread of 0.25% p.a.		
From others:		
Secured		
Rupee Terms Loans		
IIFCL Ltd. (refer footnote (f) below)	-	32601
PFC Ltd. (refer footnote (h) below)	197766	-
Repayable in 180 equal monthly instalments from july 2026 or actual date of commissioning, whichever is earlier carrying interest @ 3 year AAA corporate bond Yield plus spread of 1.18% p.a. REC Ltd. (refer footnote (h) below)	192886	-
Repayable in 180 equal monthly instalments from july 2026 or actual date of commissioning, whichever is earlier carrying interest @ 3 year AAA corporate bond Yield plus spread of 1.18% p.a. IREDA Ltd. (refer footnote (i) below)	152991	-
Repayable in 72 quarterly structured instalments from 1st standard due date (i.e. last day of the quarter) following after moratorium period at floating interest rate (repo rate plus spread) of 8.70% as on 31.03.2023		
Unsecured		
Foreign Currency Loans		
World Bank (IBRD) (Guaranteed by Govt of India)	142392	153440
Repayable in 30 half yearly instalments from May 2013 to November 2027, carrying interest@ SOFR+variable spread)		
Total (B)	1260815	543557
Total (A+B)	1360815	643557
Less: Current maturities of long term debts		
Rupee term loans from banks- secured	4444	4456
Rupee term loans from banks- unsecured	6240	-
Foreign Currency loans from world bank	25337	22085
Total	1324794	617016

- (a) Secured by equitable mortgage/hypothecation of all present and future immovable/ movable properties as first charge of Naitwar Mori HEP
(b) Secured by equitable mortgage/hypothecation of all present and future fixed assets and book debts as first charge of Rampur HPS.
(c) Secured by mortgage/hypothecation of all assets of Dhaulasidh Hydro Electric Project.
(d) Secured by first charge by way of mortgage/hypothecation/ assignment or otherwise on all assets of Luhri Hydro Electric Project Stage -1.



- (e) Collateral security by way of first charge on Escrow Account, debt service reserve and on future cash flow of the company related to the PPAs of NJHPS with Haryana, Chandigarh and Delhi.
- (f) The loan from consortium of Banks (SBI, Canara Bank & IIFCL) has been swapped with the Loan from PFC & REC.
- (g) Secured by equitable mortgage/hypothecation of all present and future fixed assets and book debts as first charge of ARUN-3 HPS.
- (h) Secured by equitable mortgage/hypothecation of all present and future fixed assets and book debts of Buxar Thermal Power Project as first charge.
- (i) Secured by equitable mortgage/hypothecation of all present and future fixed assets and book debts of Bikaner Solar Power Project as first charge.

There has been no defaults in repayment of any of the loans or interest thereon at the end of the year.

2.23 Lease Liabilities

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Lease liabilities - Non current	4870	588
Disclosure as per Ind AS-116 has been given under note no. 2.54		

2.24 Other Financial Liabilities

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Deposits, Retention Money from Contractors and Others	1	38051
Income Received in Advance		
Total	1	38051

2.25 Non Current Provisions

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Unfunded Employee Benefits	17902	16734
Community Development/ Corporate Social Responsibility	6100	6100
Total	17902	16734

* As per Para 7 of the Environment Clearance order dated 28.02.2017, a CSR budget of Rs 61 Crore was allocated to be spent in 10 years. The Company has made a provision for the same amount in the financial year 2019-20. Based on Investment approval dated 08.03.2019 and Ministry of Environment, Forest and Climate Change orders for Environment Clearance dated 28.02.2017, detailed draft plan towards Rehabilitation and Resettlement stands approved by the District Magistrate, Buxar, Bihar in line with Sl. No. A(xxxi) of the clearance towards Community Development Plan.

Disclosures as per Ind AS 19 'Employee benefits' are provided in Note no. 2.45

2.26 Other non-current Liabilities

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Income Received in Advance:		
- Advance Against Depreciation	67715	70940
Deferred Revenue:		
- Government Grant*	2000	1000
- Deferred Income from Foreign Currency Fluctuation	968	999
Total	70683	72939

*Grant/ Budgetary support has been received from Government of India for enabling infrastructure of Luhri Stage-1 HEP & Dhulasidh Hydro Electric Project.

2.27 Borrowings

(₹ Lakh)

	As At March 31, 2023	As At March 31, 2022
Loans repayable on demand		
From banks		
Unsecured		
Bank overdrafts	29615	30828
Other loans		
Unsecured		
Commercial paper	-	-
Short term loan from banks	8865	14990
Current Maturities of Long Term debt		
Secured		
- Rupee Term Loans from banks	4444	4456
Unsecured		
- Foreign Currency Loans (Guaranteed by GOI)	25337	22085
- Rupee Term Loans from banks	6240	-
Total	74501	72359

There has been no defaults in repayment of any of the loans or interest thereon at the end of the year.

Details in respect of rate of interest and terms of repayment of secured and unsecured current maturities of long term debt indicated above are disclosed in Note 2.22



2.28 Lease Liabilities

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Lease liabilities- current	1769	652
Disclosure as per Ind AS-116 has been given under note no. 2.54		

2.29 Trade Payables

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Total Outstanding Dues of Micro and Small Scale Enterprises	668	700
Total Outstanding Dues of Creditors Other than Micro and Small Enterprises	4008	3016
Total	4676	3716

Disclosure regarding dues to micro and small enterprises as required by the MSMED Act is made in note 2.58
Ageing schedule of trade payables has been given in note no. 2.55

2.30 Other Financial Liabilities-Current

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Interest Accrued but not due on:		
- Short Term Loan	-	1
- Non- Convertible Bonds	3075	3075
- Foreign Currency Loans : World Bank	2539	327
: Others	277	111
- Rupee Term Loans	1985	44
	7876	3558
Unpaid Dividend	148	140
Others Payables:		
Liability for Employees' Remuneration and Benefits	4734	5191
Liability for Purchase/Construction of Fixed Assets:		
- Micro and Small Enterprises	318	82
- Other than Micro and Small Enterprises	121404	86931
Deposits, Retention Money from Contractors and Others	143724	30911
Amount Payable to Customers	-	2233
Amount Payable to Gratuity/Post Retirement Medical Trust	1141	1034
TDS and Other Taxes Payable		
Others	8	11
Total	279353	130091

Disclosure regarding dues to micro and small enterprises as required by the MSMED Act is made in note 2.58

2.31 Other Current Liabilities

	(₹ Lakh)	
	As At March 31, 2023	As At March 31, 2022
Revenue Received in Advance:		
Advance against Depreciation	3226	3224
Advance from Customers	274	392
TDS and Other Taxes Payable	3366	1782
Total	6866	5398

2.32 Current -Provisions

	(₹ Lakh)	
Particulars	As At March 31, 2023	As At March 31, 2022
Unfunded Employee Benefits	1474	1093
Performance Related Pay	7551	4851
Interest on Arbitration Awards	49882	43498
Others	824	824
Total	59731	50,266

Disclosures as per Ind AS 19 'Employee benefits' are provided in Note no. 2.45

Disclosures required by Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' are provided in Note no. 2.51



2.33 Revenue from Operations

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Sales		
Energy Sales	280000	238489
Less:		
Regulated Power Adjustment- Margin	383	-
Regulated Power Adjustment- Expenses	53	-
	<u>279564</u>	<u>238489</u>
Advance Against Depreciation	3224	3224
	<u>282788</u>	<u>241713</u>
Less: Rebate to Customers	738	845
		<u>240868</u>
Revenue from Power Trading	17	-
Consultancy Income	-	(232)
Total	282067	240636
Other operating revenues		
Interest from Beneficiaries	11694	798
Others	74	266
Total	11768	1064
Total Revenue from Operations	293835	241700

The CERC notified the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2019 vide Order dated 7th March 2019 (Regulations, 2019) for determination of tariff for the the period 2019-24. CERC has approved the tariff of hydro power plants as per above regulations. Accordingly, sales of hydro power plants have been recognised in accordance with the tariff approved.

Energy sales and interest from beneficiaries include an amount of ₹ 27033 lakh and ₹ 11694 lakh respectively pertaining to earlier years on receipt of tariff orders of hydro power plants for the period 2014-19 and 2019-24 (Previous year: ₹(6846) lakh and ₹798 lakh).

2.34 Other Income

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Interest Income		
Banks	14121	10116
Employees	1022	1141
Contractors	1358	1665
Others	746	59
		<u>12981</u>
Other Non-Operating Income		
Interest on Income Tax Refund	5	-
Late Payment Surcharge From Beneficiaries	3407	6141
Receipt of Maintenance of ICF	287	262
Foreign Currency Fluctuation Adjustment	32	32
Sale of Scrap	131	183
Sales of Carbon Credit	245	-
Gain on transfer of Shares in Joint Venture (refer footnote to note no.2.5)	11428	-
Miscellaneous Income #	1633	2179
Total	34415	21778
# Details of Miscellaneous Income:		
Hire Rental Charges from Contractor	1	-
Profit on Sale of Fixed Assets	142	34
Rent Recovery from Staff/Others	114	89
Excess Provision Written Back	892	495
Liquidated Damages (LD) recovered	263	1077
Claim Received from Insurance Company	-	336
Other Misc. Receipts	221	148
Total	1633	2179



2.35 Employee Benefits Expense

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Salaries, Wages, Allowances and Benefits	22185	22851
Contribution to Provident and Other Funds	2803	3187
Leave Salary and Pension Contribution*	91	61
Welfare Expenses	3607	2963
	<u>28686</u>	<u>29062</u>
	28686	29062

*Leave Salary and Pension Contribution is on account of retirement benefits of deputationists working in the company payable to their parent organisations.

Disclosures as per Ind AS 19 'Employee benefits' are provided in Note no. 2.45

2.36 Finance Costs

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Interest cost on financial liabilities measured at amortized cost:		
Non- Convertible Bonds	3673	2297
Working Capital Loan	1460	1164
Foreign Currency Loans	10317	2260
Rupee Term Loans	1383	686
Commercial Papers	-	387
	<u>16833</u>	<u>6794</u>
Exchange differences regarded as adjustment to borrowing costs.	21585	7353
Other Borrowing Costs		
Guarantee fees to Government of India	2176	1862
Finance charges on lease liabilities	71	69
Other finance charges	823	56
Total	41488	16134

2.37 Depreciation and Amortization Expense

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
On property, plant and equipment (Note 2.1)*	39958	39805
On intangible assets (Note 2.3)	1721	1592
Less: Depreciation attributable to Construction (Note 2.2.1)	1777	968
Less: Depreciation written back	262	-
Depreciation Charged to Statement of Profit & Loss	39640	40429
*Includes depreciation/ amortization of ROU assets	1709	1672

2.38 Other Expenses

(₹ Lakh)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Repair and Maintenance:		
Buildings	1662	1417
Roads	308	174
Plant & Machinery	2348	1637
Office Equipments & Furnitures	29	23
Civil Works	1267	939
Electro Mechanical Works	3163	3554
Vehicles	116	118
Others	956	845
	<u>9849</u>	<u>8707</u>
Rent	47	5
Rates & Taxes	16	21
Insurance	5625	5212
Security Expenses	5958	5291
Electricity Charges	1198	1208
Less:- Recovered from Employees & Contractors	85	52
	<u>1113</u>	<u>1156</u>



	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Research and Development	226	-
Travelling & Conveyance	584	245
Training and Recruitment Expenses	2307	1360
Less:- Cost of Application Forms Received	51	35
	2256	1325
Legal Expenses	375	175
Professional and Consultancy Charges	948	483
Communication Expenses	425	410
Printing & Stationery	125	87
Payment to Auditors (refer note no. 2.60)	53	34
Advertisement & Publicity	985	383
EDP Expenses	800	471
Hiring of Vehicles	460	441
Entertainment Expenses	111	111
Expenses on Transit Camps	104	85
Books & Periodicals	22	24
Donation to PM CARES Fund	-	1300
Corporate Social Responsibility Expenses	6023	5076
Loss on Disposal/Write off of Fixed Assets	904	362
Debts/ Advances written Off	-	403
Directors Sitting Fees	28	19
Business Promotion Expenses	391	130
Fees and subscription	768	811
Environment & Ecology Expenses	142	116
Tender Expenses	92	189
Less: Receipts from Sale of Tenders	4	10
	88	179
Interest on Arbitration / Court cases	3421	2802
Interest to Beneficiaries *	-	3616
Miscellaneous Expenses	213	278
Exchange Rate Variation	48	65
Expenses on Regulated Power	53	-
Less: Regulated Power Adjustment - Sales	53	-
	-	-
Rehabilitation Expenses	7	171
Total	42115	39994
Stores Consumption Included in Repairs and Maintenance	1647	1679

Interest to beneficiaries during the previous year was on account of receipt of tariff orders of hydro power stations.

2.39 Exceptional Items

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Projects written off	-	2326
Interest on arbitration award *	2963	-
Total	2963	2326

*On account interest pertaining to previous years on arbitration awards received during the year.

2.40 Net movement in regulatory deferral account balances (net of tax)

	For the Year Ended March 31, 2023	For the Year Ended March 31, 2022
Regulatory Deferral Account Debit Balance:		
Foreign exchange rate variation on foreign currency loans	7195	1542
Employee benefits expense (pay revision)	(14827)	-
Interest on arbitration award	6384	2559
O&M / Security Expenses recoverable in tariff	-	(9411)
Total	(1248)	(5310)
Tax on net movement in regulatory deferral account balances	(218)	(928)
Net movement in regulatory deferral account balances (net of tax)	(1030)	(4382)



2.41 Disclosure on Financial Instruments and Risk Management

(1) Fair Value Measurement

A) Financial Instruments by category

(₹ Lakh)

Particulars	Notes	As at March 31, 2023	As at March 31, 2022
		Amortised Cost	Amortised Cost
Financial assets			
Non-current Financial assets			
(i) Non-current investments *			
-Equity Instrument (Unquoted)	2.6	175	175
(ii) Loans (to employee & others)	2.7	9364	9684
(iii) Others:			
-Security Deposits	2.8	872	625
-Bank Deposits with more than 12 Months Maturity (including accrued interest)	2.8	24618	18321
Current Financial assets			
(i) Trade receivables	2.12	27684	57503
(ii) Cash and cash equivalents	2.13	33165	2929
(iii) Bank balances other than (ii) above	2.14	339979	287274
(iv) Short-term loans (to employee & others)	2.15	2371	2263
(v) others :			
(a) Amount recoverable from supplier & contractors	2.16	11113	10694
(b) interest receivable on investments and bank deposits	2.16	5087	4916
(c) other receivables	2.16	41375	25280
Total Financial Assets		495803	419663
Financial Liabilities			
Non Current Financial Liabilities			
(i) Long -Term Borrowings			
a) Non-convertible redeemable bonds	2.22	100000	100000
b) Term Loan From Banks	2.22	1107739	385661
c) Term Loan from others	2.22	117055	131355
(ii) Lease Liabilities	2.23	4870	588
(iii) Deposits/Retention Money-non current	2.24	1	38051
Current Financial Liabilities			
(i) Short-term borrowings	2.27	74501	72359
(ii) Lease liabilities	2.28	1769	652
(iii) Trade Payables (MSME)	2.29	668	700
(iv) Trade Payables (other than MSME)	2.29	4008	3016
(v) Other Current financial liabilities			
a) interest accrued but not due on borrowings	2.30	7876	3558
b) Deposits/Retention Money	2.30	143724	30911
c) Liability against Capital Works/Supplies	2.30	121722	87013
d) Other Payables	2.30	6031	8609
Total Financial Liabilities		1689964	862473

*At Cost

Note: The company does not classify any financial asset/financial liability at fair value through profit or loss (FVTPL) & fair value through other comprehensive income (FVTOCI).

B) FAIR VALUATION MEASUREMENT

(i) Fair Value Hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair value are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has to classify its financial instruments into the three levels prescribed under the accounting standards.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments and traded bonds that have quoted price. The fair value of all equity instruments including bonds which are traded in the recognised Stock Exchange and money markets are valued using the closing prices as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. This includes security deposits/ retention money and loans at below market rates of interest.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.



Financial Assets/Liabilities measured at amortised cost for which Fair Value are disclosed:

(₹ Lakh)

	Note No.	As at March 31, 2023			As at March 31, 2022		
		Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets							
(i) Loans (to employee & others)	2.7 & 2.15		11735		11947		
(ii) Others							
-Bank Deposits with more than 12 Months Maturity (including accrued interest)	2.8		24618		18321		
-Security Deposits	2.8		872		625		
Total Financial Assets		-	37225	-	30893		
Financial Liabilities							
(i) Non-convertible redeemable bonds	2.22	100000			100000		
(iii) Borrowings (Long term & Short term)	2.22& 2.27		1299295		520574		
(ii) Lease liabilities	2.23&2.28		6639		1240		
(iii) Deposits/Retention Money (including Current)	2.24 & 2.3		143725		68962		
Total Financial Liabilities		100000	1449659		590776		

(ii) Valuation techniques and process used to determine fair values

The Company values financial assets or financial liabilities using the best and most relevant data available. Specific valuation techniques used to determine fair value of financial instruments includes:

- Use of Quoted market price or dealer quotes for similar instruments.
- Fair value of remaining financial instruments is determined using discounted cash flow analysis.

The company has a team that performs the valuation of financial assets and liabilities required for financial reporting purpose.

(iii) Fair value of Financial Assets and liabilities measured at Amortised Cost

(₹ Lakh)

	Note No.	As at March 31, 2023		As at March 31, 2022	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets at Amortised Cost					
(i) Loans	2.7 & 2.15	14734	11735	13825	11947
(ii) Bank Deposits with more than 12 Months Maturity	2.8	24618	24618	18321	18321
(iii) Security Deposits	2.8	872	872	625	625
Total Financial Assets		40224	37225	32771	30893
Financial Liabilities at Amortised Cost					
(i) Non-convertible redeemable bonds	2.22	100000	100000		
(ii) Long-term borrowings (including Current Maturity and interest)	2.22& 2.27	1299295	1299295	520574	520574
(iii) Lease liabilities	2.23&2.28	6639	6639	1240	1240
(iv) Deposits/Retention Money	2.24 & 2.3	143725	143725	68962	68962
Total Financial Liabilities		1549659	1549659	590776	590776

Significant Estimates:

Note:

- The Carrying amount of current investments, Trade and other receivables, Cash and cash equivalents, Short-term loans and advances, Short term borrowings, Trade payables and other current financial liabilities are considered to be the same as their fair values, due to their short term nature.
- For financial assets and financial liabilities measured at fair value, the carrying amounts are equal to the fair value.

(2) Financial Risk Management

Financial risk factors

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to manage finances for the Group's operations. The Group has loan and other receivables, trade and other receivables, investments and cash and short-term deposits that arise directly from its operations. The Group's activities expose it to a variety of financial risks:

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash & Cash equivalents, Trade receivables and financial assets measured at amortised cost	Aging analysis	diversification of bank deposits, credit limits and letter of credit
Liquidity Risk	Borrowings and other facilities	Rolling cash flow forecasts	availability of committed credit lines and borrowing facilities
Market Risk- Interest rate	Long term borrowings at variable rates	sensitivity analysis	1. Diversification of fixed rate and floating rates. 2. Refinancing 3. Actual interest is recovered through tariff as per CERC Regulation
Market Risk- foreign exchange	Recognised financial liabilities not denominated in INR	sensitivity analysis	Foreign exchange rate variation on loans is recovered through tariff as per CERC regulation



i) Credit risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities including deposits with banks and financial institutions.

ii) Liquidity risk.

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

iii) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise three types of risk: currency rate risk, interest rate risk and other price risks. Financial instruments affected by market risk include loans and borrowings, deposits, investments. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. This is based on the financial assets and financial liabilities held as at 31st March, 2022 and 31st March, 2021.

The Group operates mainly in regulated environment. Tariff hydro power stations of the Group is fixed by the Central Electricity Regulatory Commission (CERC) through Annual Fixed Charges (AFC) comprising the following five components: 1. Return on Equity (RoE), 2. Depreciation, 3. Interest on Loans, 4. Operation & Maintenance Expenses and 5. Interest on Working Capital Loans. In addition to the above, Foreign Currency Exchange Variation and Taxes are also recoverable from Beneficiaries in terms of the Tariff Regulations. Hence variation in interest rate, currency exchange rate variations and other price risk variations are recoverable from tariff and do not impact the profitability of the Group.

The Group's risk management is carried out as per policies approved by Board of Directors from time to time.

(A) Credit Risk

The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

a) Trade Receivables

The Group extends credit to customers in normal course of business. The Group monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Group evaluates the concentration of risk with respect to trade receivables as low, as its customers are mainly state government authorities and operate in largely independent markets.

CERC tariff regulations 2019-24 allows the Company to raise bills on beneficiaries for late-payment surcharge which adequately compensates the Company for time value of money arising due to delay in payment. Further, the fact that beneficiaries are primarily State Governments/ State Discoms and considering the historical credit loss experience for trade receivables, the Company does not envisage either impairment in the value of receivables from beneficiaries or loss due to time value of money due to delay in realization of trade receivables.

b) Financial assets at amortised cost

Employee Loans: The Group has given loans to employees at concessional rates as per the Group's policy which have been measured at amortised cost at Balance Sheet date. The recovery of the loan is on fixed instalment basis from the monthly salary of the employees. Management has assessed the past data and does not envisage any probability of default on these loans.

c) Financial instruments and cash deposits

The Group considers factors such as track record, size/networth of the institution/bank, market reputation and service standards and limits and policies as approved by the board of directors to select the banks with which balances and deposits are maintained. The Group invests surplus cash in short term deposits with scheduled Banks.

(B) Liquidity Risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

The Group's objective is to maintain optimum levels of liquidity at all times to meet its cash and collateral requirements. The Group relies on a mix of borrowings, capital infusion and excess operating cash flows to meet its need for funds. The current committed lines of credit and internal accruals are sufficient to meet its short to medium term expansion needs. The Group monitors rolling forecasts of its liquidity requirements to ensure that it has sufficient cash to meet capital expenditure and operational needs while maintaining sufficient headroom on its undrawn committed borrowing facilities at all times so that the Group does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period.



Particulars	(₹ Lakh)	
	As at March 31, 2023	As at March 31, 2022
Floating rate borrowings		
Term loans	1458918	215228
Foreign currency loans	91710	152340
Bank Overdraft	30128	4044
Loans against Term Deposits	111043	16602
Total	1691799	388214

(ii) **Maturities of Financial Liabilities:**

The table below provides cash flows towards Group's financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date. Balance due within 1 year is equal to their carrying balances as the impact of discounting is not significant. (refer Note 2.22,2.23, 2.24,2.27, 2.28, 2.29, 2.30 & 2.31 of balance sheet)

For the Year Ended March 31, 2023

Contractual maturities of financial liabilities	Note No.	Outstanding Debt As at March 31, 2023	(₹ Lakh)			
			Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Years & Less than 5 Years	More than 5 Years
1. Non-convertible redeemable bonds	2.22	100000	-		100000	-
2. Long term & Short Borrowings (including interest accrued but not due)	2.22, 2.27 & 2.31	1307171	82377	203974	515230	505590
3. Lease liabilities	2.23 & 2.28	6639	1,769	368	139	4363
4. Other financial Liabilities	2.24 & 2.30	271478	271477	1	-	-
5. Trade Payables	2.29	4676	4676			-
Total Financial Liabilities		1689964	360299	204343	615369	509953

For the Year Ended March 31, 2022

Contractual maturities of financial liabilities	Note No.	Outstanding Debt As at March 31, 2022	(₹ Lakh)			
			Within 1 Year	More than 1 Year & Less than 3 Years	More than 3 Years & Less than 5 Years	More than 5 Years
1. Non-convertible redeemable bonds	2.22	100000	-		100000	-
2. Long term & Short Borrowings (including interest accrued but not due)	2.22, 2.27 & 2.31	592933	75917	55482	282794	178740
3. Lease liabilities	2.23 & 2.28	1240	652	292	207	89
4. Other financial Liabilities	2.24 & 2.3	164584	164583	1		-
5. Trade Payables	2.29	3716	3716			-
Total Financial Liabilities		862473	244868	55775	383001	178829

(C) **Market Risk:**

The sensitivity analysis excludes the impact of movements in market variables on the carrying value of post-employment benefit obligations provisions and on the non-financial assets and liabilities. The sensitivity of the relevant Statement of Profit and Loss item is the effect of the assumed changes in the respective market risks. The Group's activities expose it to a variety of financial risks, including the effects of changes in interest rates.

(i) **Interest rate risk and sensitivity**

The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long term debt obligations with floating interest rates and any changes in the interest rates environment may impact future cost of borrowing. Group does not have fixed rate borrowings.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	(₹ Lakh)	
	As at March 31, 2023	As at March 31, 2022
Variable Rate Borrowings (FC)	385556	376468
Variable Rate Borrowings (INR)	875259	167089
Total	1260815	543557



Interest Rate Sensitivity Analysis

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. With all other variables held constant, the following table demonstrates the impact of borrowing cost on floating rate portion of loans and borrowings .

Particulars	As at March 31, 2023	As at March 31, 2022
Effect on Profit Before Tax with rise of 25 basis points	(3152)	(1359)
Effect on Profit Before Tax with rise of 50 basis points	(6304)	(2718)

(ii) **Price Risk:**

(a) **Exposure**

The Group has no exposure to price risk as there is no investment in equity shares which are listed in recognised stock exchange and are publicly traded in the stock exchanges.

(iii) **Foreign Currency Risk**

The Group is compensated for variability in foreign currency exchange rate through recovery by way of tariff adjustments under the CERC Tariff Regulations

(a) **Foreign Currency Risk Exposure:**

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR are as follows :

Particulars	As at March 31, 2023	As at March 31, 2022
Foreign Currency	USD	USD
Net Exposure to foreign currency risk(asset)	-	-
Financial Liabilities:		
Foreign currency loan including interest accrued but not due (₹ in Lakh)	388095	376906
Net Exposure to foreign currency risk(liabilities)	388095	376906

The above foreign currency risk exposure is for foreign currency loans taken for construction of Rampur Hydro Power Station from World Bank. As per accounting policy of the Group transactions in foreign currency are initially recorded at exchange rate prevailing on the date of transaction. At each Balance Sheet date, monetary items denominated in foreign currency are translated at the exchange rates prevailing on that date. Non-monetary items denominated in foreign currency are reported at the exchange rate prevailing at the date of transaction.

Exchange differences arising on translation or settlement of monetary items are recognised in the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of fixed assets entered up to March 31, 2016 are adjusted to carrying cost of fixed assets.

The Group has elected to avail the exemption available under IND AS 101, with regard to continuation of policy for accounting of exchange differences arising from translation of long term foreign currency monetary liabilities. However, there is no impact on the Profit & Loss of the Group due to change in foreign currency rates as the same is the pass through item to the beneficiaries as per CERC guidelines applicable to the period 2019-24.

(3) **Capital Management**

(a) **Capital Risk Management**

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The primary objective of the Group's capital management is to maximize the shareholder value. The Group's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Group's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Group also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended 31st March, 2023.

The Group monitors capital using Debt Equity ratio, which is net debt divided by total capital. The Debt Equity ratio are as follows:

Statement of Debt Equity Ratio

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Total Debt	1407171	692933
(b) Total Capital	1385954	1317034
Debt Equity Ratio (a/b)	1.02	0.53

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

(b) **Loan Covenants:**

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

- Group shall maintain credit rating AA and if rating comes down, rate of interest shall be increased by 65 basis point for each notch below AA rating in accordance with the applicable rates.
- Debt to net worth should not exceed 2:1.

During the year the Group has complied with the above loan covenants.

(c) **Dividends:**

(i) Equity Shares	As at March 31, 2023	As at March 31, 2022
Final dividend for the year 2021-22 of INR 0.55 per fully paid share approved in Sep-2022. (INR 0.40 per fully paid share for FY 2020-21 approved in Sep-2021).	21614	15719
Interim dividend for the year ended 31st March, 2023 of INR 1.15 per fully paid share (For the year ended 31st March 2022- INR 1.15 per fully paid share).	45193	45193
(ii) Dividend not recognised at the end of the reporting period	24365	21614



2.42 Basis of Preparation

These consolidated financial statements are prepared in compliance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable) and the provisions of the Electricity Act, 2003 to the extent applicable.

Group information

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Sr. No.	Name of Entity	Principal Activities	Country of Incorporation	% Equity Interest As at	
				31/03/2023	31/03/2022
				1	SJVN Arun-3 Power Development Company Pvt. Ltd.
2	SJVN Thermal Pvt. Ltd	Generation of Power	India	100%	100%
3	SJVN Green Energy Ltd.	Generation of Power	India	100%	100%

The Holding Company

SJVN Ltd. is the holding company of the group.

Entities in which Group has Joint arrangement / Significant Influence :

- The group has 26% interest in Cross Border Power Transmission Company Limited.
- During the year SJVN had transferred all its entire shareholding in KHEL to Druk Green Power Corporation (DGPC) Bhutan against payment of equity contribution of SJVN in KHEL along with interest @ 9% per annum with monthly compounding till the date of payment to SJVN as per the approval of Shareholders of Kholongchhu Hydro Energy Limited (KHEL) in 5th Extra ordinary Meeting (EGM) held on December 30, 2022.

2.43 Disclosure as per Ind AS 1 "Presentation of financial statements"

Changes in significant accounting policies:

- During the year, following changes to the accounting policies have been made:
 - Policy no. 1.21 'Depreciation and amortization' has been modified during the year. The impact of the same has resulted in decrease in depreciation expense by ₹ 1851 lakh and increase in net block of Property, plant and equipment (PPE) by the same amount.

Reclassification and comparative figures

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

As a result, certain line items have been reclassified in the balance sheet and statement of cash flows, the details of which are as under:

Items of Balance Sheet before and after reclassification as at 31st March 2022

Sr. No.	Particulars	Amount before reclassification	Reclassification	Amount after reclassification
1	Non-current assets - Other non-current assets	98835	620	99455
2	Current assets - Other current assets	13804	(620)	13184

2.44 Disclosures as per Ind AS12 "Income Taxes"

a) Income tax expense

i) Income tax recognised in the statement of profit and loss

Particulars	For the year ended	
	31 March 2023	31 March 2022
Current tax expense		
Current Year	29909	23286
Adjustment relating to earlier years	1559	33
Pertaining to regulatory deferral account balances	(218)	(928)
Total Current tax expense	31250	22391

ii) Income tax recognized in other comprehensive income

Particulars	For the year ended					
	31 March 2023			31 March 2022		
	Before Tax	Tax expense/ (benefit)	Net of Tax	Before Tax	Tax expense/(benefit)	Net of Tax
Net actuarial gains / (losses) on defined benefit plans	(246)	(43)	(203)	(197)	(34)	(163)
Total	(246)	(43)	(203)	(197)	(34)	(163)



- b) In pursuance to section 115 BAA of the Income Tax Act, 1961 announced by Govt. Of India through Taxation Laws (Amendment) Act, 2019, the company has an option for a lower tax rate by foregoing certain exemptions/deductions. The company has not opted for this option as the company has sufficient MAT credit available to it in the future and continues to recognise the taxes on income as per the earlier provisions

2.45 Disclosure under the provisions of IND-AS 19 'Employee Benefits':-

a) Defined Contribution plans:

(i) Pension:

The group has Defined Contribution Pension Scheme and is contributing to the National Pension System(NPS). The liability for the same is recognized on accrual basis.

b) Defined benefit plans:

(i) Employers contribution to Provident Fund:

The Group pays fixed contribution to Provident Fund at predetermined rates to a separate trust, which invests the fund in permitted securities. The obligation of the Group is limited to such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. The liability for the same is recognized on the basis of actuarial valuation. EPFO has not yet notified the interest rate on the employees provident fund for the F.Y. 2022-23. Pending notification of the rate by the Government, actuarial valuation has been carried out considering the provisional interest rate of 8.15% recommended by Ministry of Labour. However, actual obligation, if any shall be ascertained and paid to the trust after the notification of the rate by EPFO. Further, contribution to employee pension scheme has been paid to the appropriate authorities.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the provident fund plan as at balance sheet date:

(₹ Lakh)

Particulars	As at March 31,2023	As at March 31,2022
Net defined benefit (asset) / liability – current	(130)	(279)

Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Opening balance	74185	66427	(74464)	(68103)	(279)	(1676)
Adjustment made in plan assets after finalization of previous report		-	626	1911	626	1911
Adjusted Opening Balance (A)	74185	66427	(73838)	(66192)	347	235
Current service cost recognised in statement of profit and loss*	2137	1964	-	-	2137	1964
Interest cost/(income)	6201	5474	(6,460)	(6189)	(259)	(715)
Total (B)	8,338	7438	(6,460)	(6189)	1,878	1249
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions		-		-	-	-
Financial assumptions	(8)	(13)		-	(8)	(13)
Experience adjustment	(300)	109		-	(300)	109
Return on Plan Assets Excluding Interest Income	-	-	90	105	90	105
Total (C)	(308)	96	90	105	(218)	201
Others						
Contributions by plan participants / employees	5504	5614	(5504)	(5614)	-	-
Employer contribution	-	-	(2137)	(1964)	(2137)	(1964)
Benefits Paid	(5020)	(5653)	5020	5653	-	-
Settlements/Transfer In	118	263	(118)	(263)	-	-
Total (D)	602	224	(2739)	(2188)	(2137)	(1964)
Closing Balance (A+B+C+D)	82817	74185	(82947)	(74464)	(130)	(279)

*Out of the above an amount of ₹ 998 Lakh (P.Y.: ₹ 424 Lakh) has been transferred to expenditure attributable to construction period.

As per the provisions of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Group has no right to the benefits either in the form of refund from the plan or lower future contribution to the plan towards the net surplus of ₹ 130 Lakh (P.Y.: ₹ 279 Lakh) determined through actuarial valuation. Accordingly, Group has not recognised the surplus as an asset, and the actuarial gains in 'Other Comprehensive Income', as these pertain to the Provident Fund Trust and not to the Group.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31,2023		March 31,2022	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	82817		74185	
2	Change in discount rate by 0.5%	(11)	11	(9)	10



(ii) Gratuity:

The Group has a defined benefit Gratuity Plan, which is regulated as per the provisions of Payment of Gratuity Act, 1972. The scheme is funded by the Group and is managed by a separate trust. The liability for the same is recognized on the basis of actuarial valuation.

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

(₹ Lakh)

Particulars	As at March 31,2023	As at March 31,2022
Net defined benefit (asset) / liability – Current (Funded)	161	341

Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Opening balance	9397	9227	(9056)	(8630)	341	597
Adjustment made in plan assets after finalization of previous report	-	-	(341)	(597)	(341)	(597)
Adjusted Opening Balance (A)	9397	9227	(9397)	(9227)	-	-
Included in profit or loss for the year:						
Current service cost	493	509	-	-	493	509
Past service cost	-	-	-	-	-	-
Interest cost/(income)	658	623	(686)	(653)	(28)	(30)
Total amount recognised in profit or loss for the year * (B)	1151	1132	(686)	(653)	465	479
Included in other comprehensive income:						
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(305)	(197)	-	-	(305)	(197)
Experience adjustment	1	91	-	-	1	91
Return on Plan Assets Excluding Interest Income	-	-	-	-	-	-
Total amount recognised in other comprehensive income* (C)	(304)	(106)	-	-	(304)	(106)
Others						
Contribution by Employer	-	-	-	-	-	-
Acquisition of asset from Deputation / Contract Employee	31	-	(31)	(32)	-	(32)
Benefits Paid	(614)	(856)	614	856	-	-
Total (D)	(583)	(856)	583	824	-	(32)
Closing Balance (A+B+C+D)	9661	9397	(9500)	(9056)	161	341

*Out of the above an amount of ₹ 48 Lakh (P.Y.: ₹ 88 Lakh) has been transferred to expenditure attributable to construction period and an amount of Nil (P.Y.: ₹ 2 Lakh) is recoverable from joint venture companies.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31,2023		March 31,2022	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	9661		9397	
2	Change in discount rate by 0.5%	(357)	384	(373)	402
3	Change in Salary increase rate by 0.5%	78	(87)	96	(109)

(iii) Post retirement medical scheme:

The Group has a Post retirement medical scheme, under which retired employee, spouse and eligible parents of retired employee are provided medical facilities in the Group hospitals/empanelled hospitals/other hospitals. They can also avail treatment as Out-Patient subject to rules and regulations made by the Group. The scheme is being managed by a separate trust created for the purpose and obligation of the Group is to make contribution to the trust based on actuarial valuation. The liability towards the same is recognised on the basis of actuarial valuation.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the post retirement medical scheme and the amounts recognised in the Group's financial statements as at balance sheet date:

(₹ Lakh)

Particulars	As at March 31,2023	As at March 31,2022
Net defined benefit (asset) / liability – Current (Funded) #	1128	866

Includes an amount of ₹ 23 lakh (P.Y.: ₹ 56 lakh) in respect of employees superannuated prior to 01.01.2007



Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset) / liability	
	For the year ended		For the year ended		For the year ended	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Opening balance	9976	8916	(9110)	(8367)	866	549
Adjustment made in plan assets by the insurers after finalization of previous report	-	-	(809)	(511)	(809)	(511)
Adjusted Opening Balance (A)	9976	8916	(9919)	(8878)	57	38
Included in profit or loss for the year:						
Current service cost	508	481	-	-	508	481
Past service cost	-	-	-	-	-	-
Interest cost/(income)	698	602	(622)	(590)	76	12
Total amount recognised in profit or loss for the year * (B)	1206	1083	(622)	(590)	584	493
Included in other comprehensive income:						
Remeasurement loss/(gain):						
Actuarial loss/(gain) arising from:						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(604)	(313)	-	-	(604)	(313)
Experience adjustment	1095	669	-	-	1,095	669
Return on Plan Assets Excluding Interest Income	-	-	-	-	-	-
Total amount recognised in other comprehensive income* (C)	491	356	-	-	491	356
Others						
Contribution by Employer	-	-	-	-	-	-
Benefits Paid	(416)	(379)	412	358	(4)	(21)
Total (D)	(416)	(379)	412	358	(4)	(21)
Closing Balance (A+B+C+D)	11,257	9976	(10,129)	(9110)	1,128	866

*Out of the above an amount of ₹ 272 Lakh (P.Y.: ₹ 198 Lakh) has been transferred to expenditure attributable to construction period and an amount of Nil (P.Y.: ₹ 4 Lakh) is recoverable from joint venture companies

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31,2023		March 31,2022	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	11257		9976	
2	Change in discount rate by 0.5%	(755)	770	(630)	646
3	Change in Medical cost rate by 0.5%	779	(762)	654	(634)

(iv) Baggage Allowance:

Actual cost of shifting from place of duty at which employee is posted at the time of retirement to any other place where he / she may like to settle after retirement is paid as per the rules of the Group. The liability towards the same is recognised on the basis of actuarial valuation.

(₹ Lakh)

Particulars	As at March 31,2023	As at March 31,2022
Net defined benefit (asset) / liability – Current (Non-funded)	27	14
Net defined benefit (asset) / liability – Non-current (Non-funded)	278	236
Total Net defined benefit (asset) / liability - (Non-funded)	305	250



Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation	
	For the year ended	
	31.03.2023	31.03.2022
Opening balance (A)	250	225
Included in profit or loss / EAC for the year :		
Current service cost	18	16
Past service cost		-
Interest cost/(income)	18	15
Total amount recognised in profit or loss / EAC for the year * (B)	36	31
Included in other comprehensive income:		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Demographic assumptions		-
Financial assumptions	(11)	(6)
Experience adjustment	86	55
Return on Plan Assets Excluding Interest Income		-
Total amount recognised in other comprehensive income* (C)	75	49
Others		
Contribution by Employer		-
Benefits Paid	(56)	(55)
Total (D)	(56)	(55)
Closing Balance (A+B+C+D)	305	250

* Out of the above an amount of ₹ 30 Lakh (P.Y.: ₹ 21 Lakh) has been transferred to expenditure attributable to construction period.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31,2023		March 31,2022	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	305		250	
2	Change in discount rate by 0.5%	(14)	15	(12)	12
3	Change in Cost increase rate by 0.5%	15	(14)	12	(12)

(v) Service Reward on Retirement:

Gift at the time of retirement is given to the employee as per the rules of the Group. The liability towards the same is recognised on the basis of actuarial valuation.

(₹ Lakh)

Particulars	As at March 31,2023	As at March 31,2022
Net defined benefit (asset) / liability – Current (Non-funded)	19	14
Net defined benefit (asset) / liability – Non-current (Non-funded)	314	290
Total Net defined benefit (asset) / liability - (Non-funded)	333	304

Movement in net defined benefit (asset) / liability

(₹ Lakh)

Particulars	Defined benefit obligation	
	For the year ended	
	31.03.2023	31.03.2022
Opening balance (A)	304	289
Included in profit or loss / EAC for the year :		
Current service cost	20	19
Past service cost		-
Interest cost/(income)	21	19
Total amount recognised in profit or loss / EAC for the year * (B)	41	38
Included in other comprehensive income:		
Remeasurement loss/(gain):		
Actuarial loss/(gain) arising from:		
Demographic assumptions		-
Financial assumptions	(12)	(7)
Experience adjustment	34	21
Return on Plan Assets Excluding Interest Income		-
Total amount recognised in other comprehensive income* (C)	22	14
Others		
Contribution by Employer		-
Benefits Paid	(34)	(37)
Total (D)	(34)	(37)
Closing Balance (A+B+C+D)	333	304



*Out of the above an amount of ₹ 17 Lakh (P.Y.: ₹ 4 Lakh) has been transferred to expenditure attributable to construction period.

Sensitivity Analysis of the Defined benefit obligation

(₹ Lakh)

Sr. No.	Particulars	March 31,2023		March 31,2022	
		Increase	Decrease	Increase	Decrease
1	Present value of obligation at the end of the period	333		304	
2	Change in discount rate by 0.5%	(15)	16	(14)	15
3	Change in Cost increase rate by 0.5%	16	(15)	16	(14)

(vi) Plan Assets

Plan assets comprise the following :

(₹ Lakh)

Particulars	As at March 31,2023			As at March 31,2022		
	Quoted	Unquoted	Total	Quoted	Unquoted	Total
State Govt. Securities	35255	-	35255	30993	-	30993
Central Govt. Securities	8016	-	8016	7040	-	7040
Corporate bonds and term deposits	29291	-	29291	27906	-	27906
Equity and equity-linked investments	10708	-	10708	8567	-	8567
Investments with insurance companies	-	18852	18852	-	16930	16930
Others	-	548	548	-	78	78

Actual Return on Plan assets is ₹ 7678 Lakh (P.Y.: ₹ 7327 Lakh)

(vii) Key Actuarial assumptions for Actuarial Valuation:

Particulars	As at March 31,2023	As at March 31,2022
Mortality Table	IALM (2012-14)	IALM (2012-14)
Discount Rate	7.40%	7.00%
Future Salary Increase	6.50%	6.50%

(viii) Risk exposure

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow -

- A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Medical cost increase- Increase in actual medical cost per retiree will increase the plans liability. Increase in medical cost per retiree rate assumption will also increase the liability.
- C) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- D) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability
- E) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- F) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

(ix) The expected maturity analysis of Gratuity, TTA/Settlement allowance on retirement, Employee Provident fund, Retirement gifts and Post Retirement Medical Scheme.

(₹ Lakh)

Particulars	Less than a year	Between 1-5 years	Over 5 years	Total
31-March-2023				
Gratuity	1053	3163	5445	9661
TTA/Settlement allowance on retirement (exit)	27	98	180	305
Employee Provident fund	17824	20633	44360	82817
Retirement Gifts/Long service award liability	19	109	205	333
Post Retirement Medical Scheme	495	2451	8311	11257
TOTAL	19418	26454	58501	104373
31-March-2022				
Gratuity	706	3190	5501	9397
TTA/Settlement allowance on retirement (exit)	14	76	160	250
Employee Provident fund	13345	19777	41063	74185
Retirement Gifts/Long service award liability	14	92	198	304
Post Retirement Medical Scheme	317	1795	7864	9976
TOTAL	14396	24930	54786	94112



c) Other Long Term Employee Benefit Plans

The Group provides for earned leave benefit and half pay leave to the employees of the Group which accrue annually at 30 days and 20 days respectively. Earned leave (EL) and Half pay leave (HPL) are en-cashable subject to limits and other conditions specified for the same. The scheme is un-funded and liability for the same is recognised on the basis of actuarial valuations. During the year, provision amounting to ₹ 1827 Lakh has been made on the basis of actuarial valuation at the year end and debited to statement of profit and loss (P.Y.: ₹ 1648 Lakh).

2.46 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'.

(₹ Lakh)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(i)	Amount charged to Statement of Profit and Loss excluding depreciation:		
	- As FERV	48	65
	- As Borrowing Cost	21585	7353
(ii)	Amount charged to Expenditure Attributable to Construction		
	- As FERV	1156	119
	- As Borrowing Cost	9585	1343
(iii)	Amount adjusted by addition to carrying amount of fixed assets		-

2.47 Disclosure as per Ind AS 23 'Borrowing Cost'

Borrowing costs capitalised during the year is ₹ 54018 Lakh (P.Y: ₹ 7840 Lakh).

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

a) List of Related Parties –

Parent Company

i) Directors & Key Management Personnel:

Sh. Nand Lal Sharma	Chairman and Managing Director (CMD)
Smt. Geeta Kapur	Director (Personnel)
Sh. Surinder Pal Bansal*	Director (Civil)
Sh. Akhileshwar Singh	Director (Finance)
Sh. Sushil Sharma	Director (Electrical)
Sh. Raghuraj Rajendran	Nominee Director, Government of India upto 30.11.2022
Sh. Ajay Tewari	Nominee Director, Government of India w.e.f. 01.12.2022
Sh. Ram Dass Dhiman	Nominee Director, Government of Himachal Pradesh upto 31.12.2022
Sh. Rajeev Sharma	Nominee Director, Government of Himachal Pradesh w.e.f. 21.02.2023
Dr. Udeeta Tyagi	Independent Director
Sh. Saroj Ranjan Sinha	Independent Director
Dr. Danveer Singh Yadav	Independent Director
Dr. Shashikant Jagannath Wani	Independent Director w.e.f. 13.03.2023
Sh. Soumendra Das	Company Secretary

* Sh. Surinder Pal Bansal is currently under suspension w.e.f 28th July, 2022 vide Ministry of Power, Govt. of India order dated 28th July, 2022.

Subsidiary Companies:

a) SJVN Thermal Pvt. Ltd.

Sh. Nand Lal Sharma	Chairman and Managing Director (CMD)
Smt. Geeta Kapur	Director
Sh. Surinder Pal Bansal*	Additional Director
Sh. Akhileshwar Singh	Director
Sh. Sushil Sharma	Director
Sh. Manoj Kumar	Chief Executive Officer
Sh. Abhay Shanker Shukla	Chief Financial Officer
Sh. Raman Kant Sharma	Company Secretary

*Sh. Surinder Pal Bansal is currently under suspension w.e.f 28th July, 2022 vide Ministry of Power, Govt. of India order dated 28th July, 2022.

b) SJVN Arun-3 Power Development Company Pvt. Ltd.

Sh. Nand Lal Sharma	Chairman
Smt. Geeta Kapur	Director
Sh. Akhileshwar Singh	Director
Sh. Sushil Sharma	Director
Sh. Arun Dhiman	Chief Executive Officer
Sh. Jitendra Yadav	Chief Financial Officer
Sh. Sujit Jha	Company Secretary



c) **SJVN Green Energy Ltd.**

Sh. Nand Lal Sharma	Chairman
Smt. Geeta Kapur	Director
Sh. Akhileshwar Singh	Director
Sh. Sushil Sharma	Director
Sh. Surendra Lal Sharma	Chief Executive Officer
Sh. Anand Mohan Jha	Chief Financial Officer
Sh. Arun Kumar Sharma	Company Secretary

ii) **Entities where control / significant influence exists - Subsidiaries**

Name of Entity	% of Shareholding/ voting Power			
	Principal Place of Operation / Country of Incorporation	Principal activities	As at March 31, 2023	As at March 31, 2022
SJVN Arun-3 Power Development Company Pvt. Ltd (Incorporated in Nepal)	Nepal	Power Generation	100%	100%
SJVN Thermal Pvt. Ltd (Incorporated in India)	India	Power Generation	100%	100%
SJVN Green Energy Ltd. (Incorporated in India)	India	Power Generation	100%	100%

iii) **Joint Ventures:**

Name of Entity	% of Shareholding/ voting Power			
	Principal Place of Operation / Country of Incorporation	Principal activities	As at March 31, 2023	As at March 31, 2022
Cross Border Power Transmission Company Ltd.	India	Power Transmission	26%	26%
Kholongchhu Hydro Energy Limited*	Bhutan	Power Generation	-	50%

*Consequent upon the approval of Shareholders of Kholongchhu Hydro Energy Limited (KHEL) in 5th Extra ordinary Meeting (EGM) held on December 30, 2022, SJVN had transferred all its entire shareholding in KHEL to Druk Green Power Corporation (DGPC) Bhutan against payment of equity contribution of SJVN in KHEL along with interest @ 9% per annum with monthly compounding till the date of payment to SJVN. The amount received on transfer of share in excess of cost of shares has been shown under other income note no. 2.34.

iv) **Entities under the control of same government:**

The Holding company is a Central Public Sector Undertaking (CPSU) controlled by Central Government by holding majority of the shares. Government of Himachal Pradesh also holds more than 25% shares in the company (Note No.2.20). Pursuant to paragraph 25 and 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence, then the reporting entity and other entities shall be regarded as related parties. Transactions with these parties are carried out at market terms at arm length basis. The Group has applied the exemption available for government related entities and have made limited disclosures in the financial statements. Such entities with which the group has significant transactions include but not limited to BHEL Ltd., Indian Oil Corporation Ltd., NBCC Limited.

v) **List of Other Related Parties:**

Name of Other Related Parties	Principal place of operation	Nature of Relationship
NJPC Ltd. Employees Provident Fund Trust	India	Post-employment benefit plan of SJVN
NJPC Ltd. Employee Gratuity Fund	India	Post-employment benefit plan of SJVN
SJVN Employees Defined Contribution Pension Fund.	India	Post-employment benefit plan of SJVN
SJVN Post Retirement Medical Scheme Trust (PRMS)	India	Post-employment benefit plan of SJVN
SJVN Foundation Trust	India	CSR - Trust
Smt. Lalita Sharma	India	Relative of Director
Sh. Romesh Kumar Kapoor	India	Relative of Director

b) **Transactions with related parties-**

i) **Transactions with Joint Ventures and Key Management Personnel (KMP) are as follows.**

(₹ Lakh)

Sr. No.	Particulars	Joint Venture Companies		Key Management Personnel (KMP) & their relatives	
		F.Y. 22-23	F.Y. 21-22	F.Y. 22-23	F.Y. 21-22
A.	Transactions During the Year				
1	Investment in Share Capital including Share Application Money				
a)	Kholongchhu Hydro Energy Ltd.*	(24043)	5000		
2	Dividend Income				
a)	Cross Border Power Transmission Company Ltd.	315	139		
3	Gain on transfer of shares				
a)	Kholongchhu Hydro Energy Ltd.*	11428			
4	Sitting Fees to Directors			28	19
5	Remuneration to relatives of directors				113
6	Other payments to relatives of directors			30	13
B.	Outstanding Balances at the year end				
1	Amount Recoverable				
a)	Kholongchhu Hydro Energy Ltd.		12		



*Consequent upon the approval of Shareholders of Kholongchhu Hydro Energy Limited (KHEL) in 5th Extra ordinary Meeting (EGM) held on December 30, 2022, SJVN had transferred all its entire shareholding in KHEL to Druk Green Power Corporation (DGPC) Bhutan against payment of equity contribution of SJVN in KHEL along with interest @ 9% per annum with monthly compounding till the date of payment to SJVN. The amount received on transfer of share in excess of cost of shares has been shown under other income note no. 2.34.

Terms and conditions of transactions with related parties

- Transactions with the related parties are made on normal commercial terms and conditions and at arm's length price.
- The Group is seconding its personnel to joint venture companies as per terms and conditions agreed between the companies, which are similar to those applicable for secondment of employees to other companies and institutions. The cost incurred by the Group towards superannuation and employee benefits are recovered from these companies.
- Outstanding balances of joint venture companies at the year-end are unsecured and settlement occurs through banking transaction. The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken in each financial year through examining the financial position of the related party and the market in which the related party operates.

ii) Remuneration to Directors & Key Managerial Personnel

(₹ Lakh)

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
i)	Short Term Employee Benefits	1033	814
ii)	Post Employment Benefits	44	23
iii)	Other Long Term Employee Benefits	59	146
	Total	1136	983

Whole time Directors are allowed the use of staff cars including for private journeys on payment in accordance with DPE guidelines.

Loans to/from Key Management Personnel (KMP)

(₹ Lakh)

Particulars	Key Management Personnel (KMP)	
	31.03.2023	31.03.2022
Loan to KMPs		
Beginning of the Year	73	91
Loans advanced	-	8
Loan repayments received	19	24
Interest charged	3	4
Interest received	3	6
End of the year	54	73

Note: Amount recoverable from JV is Nil (P.Y.: ₹ 12 Lakh). Loan from Key Management Personnel (KMP), their relatives & enterprise over which KMPs have significant influence is NIL (P.Y.: NIL)

iii) Transaction with Trust created for Post employment Benefit plans/CSR of SJVN are as follows:-

(₹ Lakh)

Sr. No.	Name of the Trust	Nature of transaction	2022-23	2021-22
1	Nathpa Jhakri Power Corporation Ltd. Employees Provident Fund Trust	Contributions during the year	7640	7577
2	NJPC Ltd. Employee Gratuity Fund	Contributions during the year	360	597
3	SJVN Employees Defined Contribution Pension Fund.	Contributions during the year	-	187
4	Fund for SJVN PRMS	Contributions during the year	809	511
5	SJVN Foundation Trust	Contributions during the year	6023	5075

iv) Transaction with Government and the related parties under the control of the same government:

(₹ Lakh)

Sr. No.	Name of the Related Party	Nature of transaction by the Company	2022-23	2021-22
A.	Transactions during the year			
1	BHEL Ltd	Purchase of spares / services	5827	1455
2	Indian Oil Corporation Ltd.	Purchase of fuel / services	121	105
3	POSOCO	RLDC Charges	104	176
4	BSNL	Services	82	147
5	Central Transmission Utility of India	Purchase of material / services	150	-
6	Himachal Tourism	Purchase of material / services	69	116
7	LIC	Insurance Policy	333	68
8	HPSEB Ltd.	Purchase of material / services	1523	276
9	EdCIL (India) Ltd.	Services	172	125
10	IREDA Ltd.	Services	-	1186
11	Rites Ltd.	Consultancy Services	389	2088
12	Power Foundation	Consultancy Services	400	500
13	Power Grid Corporation of India Ltd.	Consultancy Services	1434	615
14	NTPC Ltd.	Consultancy Services	2063	2477



(₹ Lakh)

Sr. No.	Name of the Related Party	Nature of transaction by the Company	2022-23	2021-22
15	CPM(GS) East Central Railway ECR	Financing Charges	1000	-
16	Solar Energy Corporation of India Ltd.	Tender & Success fees	375	-
17	REWA Ultra Mega Solar Ltd.	Comprehensive Charges Solar Park	926	-
18	Other Entities	Purchase of material / services	452	235
B. Outstanding Balances				
1	Advance Outstanding			
a)	LIC	Central Public Sector Undertaking	2243	-
b)	Other Entities	Central & State Public Sector Undertakings	25	1169
2	Amount Payable to			
a)	BHEL Ltd.	Central Public Sector Undertaking	751	748
b)	POSOCO	Central Public Sector Undertaking	27	9
c)	BSNL	Central Public Sector Undertaking	19	5
d)	EdCIL (India) Ltd.	Central Public Sector Undertaking	23	-
e)	Rites Ltd.	Central Public Sector Undertaking	151	139
f)	NTPC Ltd.	Central Public Sector Undertaking	475	-
g)	Other Entities	Central & State Public Sector Undertakings	46	20

Individually significant transaction

(₹ Lakh)

Particulars	Nature of relationship	2022-23	2021-22
Equity Contributions Made			
Kholongchhu Hydro Energy Ltd.	Joint Venture Company	(35471)	5000
Dividend Paid during the year			
Govt. Of India	Shareholder having control over company	40032	36499
Govt. Of Himachal Pradesh	Shareholder having control over company	17935	16353
Guarantee Fee on Foreign Currency Loans paid			
Govt. Of India	Shareholder having control over company	2176	1862
Land Acquisition			
Govt. Of Himachal Pradesh	Shareholder having control over company	37078	8399
Compensatory Afforestation			
Govt. Of Himachal Pradesh	Shareholder having control over company	1165	8722

2.49 Disclosure as per Ind AS 33 'Earnings Per Share':-

Calculation of Earnings Per Share (Basic and Diluted) is as under:

(₹ Lakh)

Particulars	Year Ended 31.03.2023	Year Ended 31.03.2022
Net Profit after Tax but before Regulatory Income used as numerator (₹ Lakh)	136960	103362
Net Profit after Tax and Regulatory Income used as numerator (₹ Lakh)	135930	98980
Weighted Average number of equity shares used as denominator	3929795175	3929795175
Earnings per Share before Regulatory Income (₹) - Basic & Diluted	3.49	2.63
Earnings per Share after Regulatory Income (₹) - Basic & Diluted	3.46	2.52
Face value per share (₹)	10	10

2.50 Disclosure as per Ind AS 36 'Impairment of Assets'

In the opinion of the management there is no indication of any significant impairment of assets during the year as per Ind AS 36.

2.51 Disclosure as per Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

A. Movement in Provisions

As at March 31,2023

(₹ Lakh)

Particulars	As at April 1, 2022	For the year			As at March 31,2023
		Additions	Write Back/ Transfer	Utilisation	
Performance Related Pay	4850	7551	925	3925	7551
Interest on Arbitration Awards	43498	6384	-	-	49882
Community Development	6100	-	-	-	6100
Others	824	-	-	-	824
Total	55272	13935	925	3925	64357



As at March 31, 2022

(₹ Lakh)

Particulars	As at April 1, 2021	For the year			As at March 31, 2022
		Additions	Write Back/Transfer	Utilisation	
Performance Related Pay	7319	4850	-	7319	4850
Interest on Arbitration Awards	41059	2745	306	-	43498
Community Development	6100	-	-	-	6100
Others	891	-	67	-	824
Total	55369	7595	373	7319	55272

a) Provision for Performance Related Pay

Short-term Provision has been recognised in the accounts towards Performance Related Pay/ incentive to employees on the basis of management estimates as per company's rules in this regard which are based on the guidelines of the Department of Public Enterprises, Government of India

b) Provision for Interest on Arbitration Awards

This includes provisions created on the basis of arbitration/court award as to probable outflow in respect of interest on contractors claims against which arbitration award/Court decision have been received and which have been further challenged in a Court of Law. Utilization/outflow of the provision is to be made on the outcome of the case

c) Provision-Others

This includes mainly provision made towards expenditure on Local Area Development Authority in respect of Rampur Hydro Power Station.

d) In respect of provision for cases under litigation, outflow of economic benefits is dependent upon the final outcome of such cases.

e) In all these cases, outflow of economic benefits is expected within next one year.

B. Contingent Liabilities:-

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

(₹ Lakh)

Particulars	As at 31.03.2023	As at 31.03.2022
Capital Works	56550	67076
Land Compensation	2506	2506
Disputed Income Tax Demand including TDS	2545	1048
Guarantees	9175	2174
Others	32844	24904
Total	103620	97708

(i) Capital works

Contractors have lodged claims aggregating to ₹ 59391 Lakh (P.Y.: ₹ 67902 Lakh) against the Group on account of rate & quantity deviation, cost relating to extension of time and idling charges due to stoppage of work/delays in handing over the site etc. The group has created a provision of ₹ 2841 lakh (P.Y.: ₹ 826 lakh) against these claims These claims are being contested by the group as being not admissible in terms of provisions of the respective contracts or are laying at arbitration tribunal/other forums/under examination with the Group.

(ii) Land Compensation cases

In respect of land acquired for the projects, some of the land oustees have filed claims for higher compensation amounting to ₹2506 Lakh (P.Y.: ₹ 2506 Lakh) before various authorities/courts. Group has shown the same as contingent liability as possibility of any outflow in settlement of these claims is considered as remote.

(iii) Disputed Income Tax Demand including TDS

During the previous year Income Tax Department had raised a demand of ₹ 1246 lakh for A.Y 2018-19. The Group is contesting the case & filed an appeal with CIT (Appeals) and has accordingly deposited ₹ 249 lakh towards disputed income tax demand during the year. There is also a contingent liability amounting to ₹ 50 Lakh towards TDS related demands.

(iv) Guarantees

Group has provided guarantee to custom department of Nepal and guarantee for margin money on behalf of contractor for acceleration of works at SAPDC, Nepal.

(v) Others

Other Contingent liability is mainly in respect of bills discounted with banks against trade receivables and bank prepayment charges etc. amounting to ₹ 32844 lakh (P.Y.: ₹ 24904 lakh) . In case of any claim on the Group from the banks in respect of bills discounted, entire amount shall be recoverable from the beneficiaries along with surcharge.



The above is summarized as below:

(₹ Lakh)

Sr. No.	Particulars	Claims as on 31.03.23	Provision against the claims	Contingent liability as on 31.03.23	Addition of Contingent Liability for the period	Adjustment /Deduction in Contingent Liability for the period	Contingent liability as on 31.03.22
1	Capital Works	59391	2841	56550	15776	26302	67076
2	Land Compensation	2506	-	2506	-	-	2506
3	Disputed Income Tax Demand including TDS	2545	-	2545	1498	1	1048
4	Guarantees	9175	-	9175	7001	-	2174
5	Others	32844	-	32844	31803	23863	24904
	Total	106461	2841	103620	56078	50166	97708

(b) The above contingent liabilities do not include contingent liabilities on account of pending cases in respect of service matters & others where the amount cannot be quantified.

(c) It is not practicable to ascertain and disclose the uncertainties relating to outflow in respect of contingent liabilities.

(d) The group's management does not expect that the above claims/obligations (including under litigation), when ultimately concluded and determined, will have a material and adverse effect on the company's results of operations or financial condition.

C. Detail of Contingent Assets:

(₹ Lakh)

Sr. No.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Late Payment Surcharge due from beneficiaries	2233	1941
2	Revenue to the extent not recognised in respect of hydro power stations	-	15145
3	Compensation from contractors in respect of renewable power projects	16272	14329
4	Interest Recoverable from Contractors	6801	5235
	Total	25306	36650

(a) In view of significant uncertainties in the ultimate collection from one of the beneficiaries against energy bills as estimated by the management, an amount of ₹ 2233 lakh as on 31 March 2023 (P.Y.: ₹ 1941 lakh) has not been recognised.

(b) During the previous year the company had filed a review petition with CERC against the tariff order of RHPS for the period 2014-19. During the current year orders against this petition has been received and adjustments have been made accordingly.

(c) Amount recoverable from contractors is on account of delay in execution of EPC contract in respect of Sadla wind power project. This also includes compensation for generation loss due to non achievement of design energy in respect of renewable power projects.

(d) Interest recoverable from contractors is on account of the principal amount of the claim filed by the company before the Hon'ble High Court of Himachal Pradesh against contractors of Rampur Hydro Power Station in respect of hydro allowance.

D. Commitments

a) Estimated amount of Capital and other commitments not provided for is as under:

(₹ Lakh)

Sr.No.	Particulars	As at 31.03.2023	As at 31.03.2022
1	Estimated amount of contracts remaining to be executed on capital account and not provided for	1309664	1087241
2	Other commitments (on account of Repair & Maintenance and Supply of Material etc)	8284	11299
	Total	1317948	1098540

The group has entered into agreement with Forest Department, National Park and Wildlife Conservation Department, Ministry of Forest and Soil Conservation, Government of Nepal, on 23rd August 2017 and 06th February 2018. As per the agreements, a total of 123.218 hectare of forest land has been leased for project construction by Government of Nepal. Out of this 123.218 hectare, 79.04 hectare lies in 9 community forests of District Forest area while remaining 44.178 hectare lies in 8 community forests of Makalu Barun National Park area. The group should plant 8272 numbers of plants within a said land area of 123.18 hectares. The cost of such plantation cannot be estimated reliably as on date.

b) The Company has commitments of ₹ 689 Lakh (P.Y.: ₹ 35957 Lakh) towards further investment in the joint venture entities as at 31 March 2023.

c) Company's commitment in respect of lease agreements has been disclosed in Note no.2.56

2.52 Disclosure as per Ind AS 108 'Operating Segments'

a) Operating Segments are defined as components of an enterprise for which financial information is available that is evaluated regularly by the Management in deciding how to allocate resources and assessing performance.

b) Electricity generation is the principal business activity of the Group. Other operations viz., Contracts, Project Management and Consultancy works do not form a reportable segment as per the Ind AS – 108 on 'Segment Reporting'.



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

d) Information about major customers:

(₹ Lakh)

Sr.No.	Name of Customer	Revenue from Customers (₹Lakh)		Revenue from customer as a % of total revenue from sales	
		F.Y. 2022-23	F.Y. 2021-22	F.Y. 2022-23	F.Y. 2021-22
1	Govt. of H.P.	74132	59549	25.23	24.64
2	PDD, J&K	36225	28476	12.33	11.78
3	U.P. Power Corporation	50429	45390	17.16	18.78
4	Punjab State Power Corporation Ltd	28569	22033	9.72	9.12
	Total	189355	155448	64.44	64.32

2.53 Disclosure as per Ind AS 112 'Disclosure of Interest in Other Entities':

a) Subsidiaries

The holding company's subsidiaries as at 31st March, 2023 are set out below. The equity share capital of these companies is held directly by the holding company. The country of incorporation or registration is also their principal place of business.

Sr. No.	Name of entity	Principal Activities	Country of Incorporation	% Equity Interest As at	
				31.03.23	31.03.22
1	SJVN Arun-3 Power Development Company Pvt. Ltd	Generation/ Transmission of Power	Nepal	100%	100%
2	SJVN Thermal Pvt. Ltd	Generation of Power	India	100%	100%
3	SJVN Green Energy Ltd	Generation of Power	India	100%	100%

b) Interest in joint ventures

The group's interest in joint ventures as at 31st March, 2023 are set out below which in the opinion of the management, are material to the group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the group. The country of incorporation or registration is also their principal place of business and the proportion of ownership interest is the same as the proportion of voting rights held.

(₹ Lakh)

Name of entity	Place of Business	% of ownership interest	Relationship	Quoted Fair Value		Carrying amount	
				31.03.23	31.03.22	31.03.23	31.03.22
Kholongchhu Hydro Energy Limited	Bhutan	50	Joint Venture (1)	#	#	-	24043
Cross Border Power Transmission Company Limited	India	26	Joint Venture (2)	#	#	3409	3299

Unlisted entity- no quoted price available

1.The Group has 26% interest in Cross Border Power Transmission Company Limited. The Company is domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The Company is principally engaged in establishment, operation & maintenance and transfer of Indian Portion of Indo-Nepal Cross Border Transmission Line from Muzaffarpur to Dhalkebar.

2.During the year SJVN had transferred all its entire shareholding in KHEL to Druk Green Power Corporation (DGPC) Bhutan against payment of equity contribution of SJVN in KHEL along with interest @ 9% per annum with monthly compounding till the date of payment to SJVN as per the approval of Shareholders of Kholongchhu Hydro Energy Limited (KHEL) in 5th Extra ordinary Meeting (EGM) held on December 30,2022.

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

(₹ Lakh)

Particulars	Kholongchhu Hydro Energy Limited		Cross Border Power Transmission Company Limited	
	As at 31.03.23 (Unaudited)	As at 31.03.22 (Unaudited)	As at 31.03.23 (Unaudited)	As at 31.03.22 (Audited)
Current Assets				
Cash and cash equivalents	-	1473	3492	2617
Other Assets	-	89	3780	3985
Total Current Assets	-	1562	7272	6602
Total Non-current Assets	-	44710	17899	19181
Current liabilities				
Current financial liabilities (excluding trade and other payables and provisions)	-	168	1500	1529
Other Liabilities	-	912	958	250
Total Current Liabilities	-	1080	2458	1779
Non-current liabilities				



Particulars	Kholongchhu Hydro Energy Limited		Cross Border Power Transmission Company Limited	
	As at 31.03.23 (Unaudited)	As at 31.03.22 (Unaudited)	As at 31.03.23 (Unaudited)	As at 31.03.22 (Audited)
Non-current financial liabilities (excluding trade and other payables and provisions)	-	107	9597	10876
Other Liabilities	-	-	6	438
Total Non-current Liabilities	-	107	9603	11314
Net Assets	-	45085	13110	12690

Reconciliation to carrying amounts

(₹ Lakh)

Particulars	Kholongchhu Hydro Energy Limited		Cross Border Power Transmission Company Limited	
	As at 31.03.23	As at 31.03.22	As at 31.03.23	As at 31.03.22
Opening net assets	45085	36421	12690	11497
Profit/(loss) for the year			1633	1726
Dividends paid			(1213)	(533)
Equity infused/(withdrawn)	(24043)	8664	-	-
Closing net assets	21042	45085	13110	12690
Group's share in %	-	50	26	26
Group's share in INR	-	22543	3409	3299
Other Adjustments*	-	1500	-	-
Carrying amount	-	24043	3409	3299

*Other adjustments is on account of additional equity contribution by the group where contribution by other co-venturer is pending.

Summarised statement of Profit and Loss using Equity Method:

(₹ Lakh)

Particulars	Kholongchhu Hydro Energy Limited		Cross Border Power Transmission Company Limited	
	31.03.23 (Unaudited)	31.03.22 (Unaudited)	31.03.23 (Unaudited)	31.03.22 (Audited)
Revenue	-	-	742	723
Interest Income/Other Income	-	-	2554	2725
Cost of raw material and components consumed	-	-	-	-
Depreciation & amortization expense	-	-	2	2
Finance cost	-	-	1132	1237
Employee benefits expense	-	-	199	134
Other expense	-	-	330	349
Profit before tax	-	-	1633	1726
Profit for the year (continuing operations)	-	-	1633	1726
Total comprehensive income for the year (continuing operations)	-	-	1633	1726

2.54 Disclosure relating to creation of Regulatory Deferral Accounts as per Ind AS 114:

a) The group is mainly engaged in generation and sale of electricity. The price to be charged by the group for electricity sold to its customers is determined by the CERC which provides extensive guidance on the principles and methodologies for determination of the tariff for the purpose of sale of electricity. The tariff is based on allowable costs like interest, depreciation, operation & maintenance expenses, etc. with a stipulated return. This form of rate regulation is known as cost-of-service regulations which provide the group to recover its costs of providing the goods or services plus a fair return.

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

c) Pay revision of employees of CPSUs has revised from 1st January, 2017. The impact of actual increase in employee cost on account of wage revision of operational power stations is recoverable from beneficiaries in future through Tariff.

d) Interest charged to profit & loss account on account of arbitration awards in respect of hydro plants is included in regulatory deferral account debit balance as the same is recoverable from beneficiaries through tariff in future.



- e) Risks associated with future recovery/reversal of regulatory deferral account balances:
- i) Demand risk due to changes in consumer attitudes, the availability of alternative sources of supply.
- ii) Regulatory risk on account of changes in regulations and submission or approval of rate-setting application or the entity's assessment of the expected future regulatory actions.
- iii) Other market risks, if any.

The group has created regulatory assets and recognized corresponding regulatory income up to period ended 31.03.2023 as under:

(₹ Lakh)			
Regulatory asset created in relation to:	Up to FY 2021-22	For the year ended 31.03.2023	Total up to 31.03.2023
Exchange rate variation regarded as Borrowing Costs	26693	7195	33888
Employee Benefit expense (Pay- revision w.e.f 01.01.2017)	23772	(14827)	8945
Interest on arbitration award	28341	6384	34725
O&M / Security Expenses recoverable in tariff	2054	-	2054
Total	80860	(1248)	79612

The group expects to recover the carrying amount of regulatory deferral account debit balance over the life of the projects.

2.55 Disclosure as per Ind AS 115," Revenue from contract with customers"

l) Nature of goods and services

The revenue of the group comprises of income from energy sales and consultancy services. The following is a description of the principal activities:

a) Revenue from energy sales

The major revenue of the group comes from energy sales. The group sells electricity to bulk customers, mainly electricity utilities owned by State Governments as well as private discoms operating in States. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements(PPAs) entered into with the beneficiaries.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for energy sales:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Energy Sales	The group recognises revenue from energy sales once the electricity has been transmitted to the customers and control over the product is transferred. The tariff for computing revenue from energy sales is determined in terms of CERC Regulations as notified from time to time.. The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

b) Revenue from Consultancy Services and energy trading

i) Sale of energy through trading

The Group is purchasing power from the developers and selling it to the Discoms on principal to principal basis.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for sale of energy through trading:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Sale of energy through trading	The Group recognises revenue from contracts for sale of energy through trading over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from sale of energy through trading is determined as per the terms of the agreements.

b) Consultancy Services

The group undertakes consultancy for domestic and international clients in the different phases of power plants viz. Engineering, construction management, management consultancy etc.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for consultancy services:

Product/ Service	Nature, timing of satisfaction of performance obligations and significant payment terms
Consultancy Services	The Group recognises revenue from consultancy services in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to actual progress/ technical assessment of work executed, in line with the terms of respective consultancy contracts. The amounts are billed as per the terms of contracts and are payable within contractually agreed credit period.



II) Disaggregation of revenue

In the following table, revenue is disaggregated by type of product and services, geographical market and timing of revenue recognition:

(₹ Lakh)

Particulars	Generation of energy For the year ended		Consultancy & Energy Trading For the year ended		Total For the year ended	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Geographical markets						
India	282047	240868	17	-	282064	240868
Others	-	-	-	(232)	-	(232)
	282047	240868	17	(232)	282064	240636
Timing of revenue recognition						
On transfer of ownership and control of Products and services	282047	240868	17	(232)	282064	240636
	282047	240868	17	(232)	282064	240636

III) Reconciliation of revenue recognised with contract price:

(₹ Lakh)

Particulars	As at 31 March 2023
Contract price	279997
Adjustments for:	
Regulated Power Adjustment-Margin	(383)
Regulated Power Adjustment – Expenses	(53)
Advance Against Depreciation	3224
Rebates	(738)
Revenue recognised	282047

IV) Contract balances

Contract assets are recognised when there is excess of revenue recognised over billings on contracts. Contract assets are transferred to unbilled revenue when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms. The contract liabilities primarily relate to the advance consideration received from the customers which are referred as “advances from customers”.

The following table provides information about trade receivables, unbilled revenue, amount receivable for late payment surcharge and advances from customers:

(₹ Lakh)

Particulars	As at March 31, 2023		As at 1 April 2022	
	Current	Non-current	Current	Non-current
Trade receivables	27684	-	57503	-
Unbilled revenue	41154	-	24908	-
Amount receivable for late payment surcharge	-	-	-	-
Advances from customers	274	-	392	-

The aging schedule of Trade Receivables is as below

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2023					Total
	Less than 6 months	6 months–1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables – considered good	11249	16421	-	14	-	27684

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2022					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables– considered good	15631	18454	23403	15	-	57503

The aging schedule of Unbilled Revenue is as below:

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2023					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled Revenue	33059	-	6042	2053	-	41154

(₹ Lakh)

Particulars	Outstanding for following periods from due date of payment as on 31.03.2022					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
Unbilled Revenue	22855	-	2053	-	-	24908



V) Transaction price allocated to the remaining performance obligations

Performance obligations related to sale of energy:

Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations, where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. Revenue from sale of energy is recognised once the electricity has been delivered to the beneficiaries. Beneficiaries are billed on a periodic and regular basis. Therefore, transaction price to be allocated to remaining performance obligations cannot be determined reliably for the entire duration of the contract.

Performance obligations related to Consultancy and sale of energy through trading:

For consultancy, there is no remaining performance obligations which shall be received over the contract period in proportion of the services provided by the Group.

VI) Practical expedients applied as per Ind AS 115:

- The group has not disclosed information about remaining performance obligations that have original expected duration of one year or less and where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.
- The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group has not adjusted any of the transaction prices for the time value of money.

VII) The group has not incurred any incremental costs of obtaining contracts with a customer and therefore, not recognised an asset for such costs.

2.56 Disclosures as per Ind AS 116 'Leases'

- The group has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. On the date of initial application, the lease liability has been measured at the present value of the remaining lease payments and right of use assets has been recognised at an amount equal to the lease liabilities.
- Practical expedients applied as per Ind AS 116
 - Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
 - Applied the exemption not to recognize ROU assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
 - Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.
- The incremental borrowing rate has been applied to discount the lease liabilities.
- The details of the contractual maturities of lease liabilities as at March 31,2023 on an undiscounted basis are as follows:

(₹ Lakh)

Particulars	As at March 31,2023	As at March 31,2022
Less than one year	1869	786
One to five years	3374	539
More than five years	10470	207
Total	15713	1532

- The group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to the meet the obligations related to lease liabilities as and when they fall due.

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

1)

(₹ Lakh)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
(A) Expenditure in foreign currency		
i) Consultancy		-
ii) Financing Charges (ECBs)		-
iii) Interest on External Commercial Borrowings (ECBs)	5552	5651
iv) Interest on World Bank Loan	4765	862
v) Dividend Paid		-
vi) Other Miscellaneous Matters	218	580
(B) Earnings in foreign currency	-	-
(C) Value of Import calculated on CIF basis		
i) Capital Goods	17142	9589
ii) Spare Parts	807	-
(D) Value of components, stores and spare parts consumed		
i) Imported	18	47
	1.09%	2.80%
ii) Indigenous	1629	1632
	98.91%	97.20%



2) Aging Schedule for Trade Payables due for payment:

a) The aging schedule for trade payable other than unbilled dues is as below:

(₹ Lakh)

Sr. No.	Particulars	Unbilled	Outstanding for following periods from due date of payment as on 31.03.2023				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	82	586				668
ii)	Others	1510	2348	23		127	4008
iii)	Disputed dues –MSME						
iv)	Disputed dues – Others						

(₹ Lakh)

Sr. No.	Particulars	Unbilled	Outstanding for following periods from due date of payment as on 31.03.2022				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
i)	MSME	442	258	-	-	-	700
ii)	Others	1098	1914	2	-	2	3016
iii)	Disputed dues –MSME		-	-	-	-	-
iv)	Disputed dues – Others		-	-	-	-	-

3) Title deeds of immovable property not held in the name of the group

The details of the immovable property (other than properties where the group is a lessee) whose title deeds are not held in the name of the group as on 31.03.2023 is as below:

Sr. No.	Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value (₹ Lakhs)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relatives of promoter / director of employee of promoter / director	Property held since which date	Reason for not being held in the name of the group
1	PPE	Buildings-Freehold	5*	HPSEB Ltd.	-	01.08.1991	Transferor has not executed the conveyance deed.
2	PPE	Land-Freehold	57	Ganesh Tiwari & Krishna Kant Tiwari	-	2013-14	Court case is pending at Hon'ble High Court, Patna
3	PPE	Land-Freehold	142	Various Land Sellers	-	2013-14	De-notification case moved by STPL, under process with District Administration

*Original Cost of the property is ₹ 15 Lakh

The details of the immovable property (other than properties where the group is a lessee) whose title deeds are not held in the name of the group as on 31.03.2022 is as below:

Sr. No.	Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value (₹ Lakhs)	Title Deeds held in the name of	Whether title deed holder is a promoter, director or relatives of promoter / director of employee of promoter / director	Property held since which date	Reason for not being held in the name of the group
1	PPE	Buildings-Freehold	5*	HPSEB Ltd.	-	01.08.1991	Transferor has not executed the conveyance deed.

*Original Cost of the property is ₹ 15 Lakh

2.58 Disclosure as required by Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

A. Loans and advances in the nature of loans:

1. To Joint Venture Companies

(₹ Lakh)

Name of the Company	Outstanding balance as at		Maximum amount outstanding during the year ended	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Kholongchhu Hydro Energy Ltd.	-	12	12	117

3. To Firms/companies in which directors are interested : Nil (P.Y.: Nil)

B. Investment by the loanee (as detailed above) in shares of SJVN : Nil

2.59 The group has a system of obtaining periodic confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of bank accounts and borrowings from banks & financial institutions. With regard to receivables for energy sales, the group sends demand intimations to the beneficiaries with details of amount paid and balance outstanding which can be said to be automatically confirmed on receipt of subsequent payment from such beneficiaries. In addition, reconciliation with beneficiaries and other customers is generally done on quarterly basis. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters/emails with the negative assertion as referred in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent to the parties. Some of such balances are subject to confirmation/



reconciliation. Adjustments, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.

2.60 Information in respect of micro and small enterprises as at 31st March 2023 as required by Micro, Small and Medium Enterprises Development Act, 2006.

(₹ Lakh)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
a) Amount remaining unpaid to any supplier:		
Principal amount	986	782
Interest due thereon		-
b) Amount of interest paid in terms of section 16 of the MSMED Act along with the amount paid to the suppliers beyond the appointed day.		-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.		-
d) Amount of interest accrued and remaining unpaid		-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under section 23 of MSMED Act.		-

2.61 Quantitative details in respect of energy generated & sold :

a) Hydro Power:-

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	1912	1912
iii)	Actual Generation (Million Units)	9130.45	9048.57

b) Wind/Solar Power:-

Sr. No.	Particulars	Year ended 31.03.2023	Year ended 31.03.2022
i)	Licensed Capacity	Not applicable	Not applicable
ii)	Installed Capacity (MW)	177.60	102.60
iii)	Actual Generation (Million Units)	202.72	158.50

2.62 Payment to Auditors includes:

(₹ Lakh)

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
As Auditors		
-Statutory Audit	19	15
-Tax Audit	3	3
-Limited Review	10	6
For other services (Certificates etc.)	2	2
Reimbursement of Expenses	13	4
Reimbursement of GST	6	4
Total	53	34

2.63 Foreign currency exposure not hedged by a derivative instrument or otherwise:

(₹ Lakh)

Particulars	Currency	As at 31.03.2023	As at 31.03.2022
Borrowings, including Interest Accrued but not due thereon.	USD	388095	376906

2.64 Disclosure related to Corporate Social Responsibility (CSR)

As per the Companies Act, 2013, the group is required to spend at least two per cent of the average net profits of the group made during the three immediately preceding financial years, in pursuance of its Corporate Social Responsibility Policy. During the year an amount of ₹ 3300 lakh [(2% of Average Profit Before Tax of immediately previous three years (P.Y ₹ 3947 lakh, 2% of Average Profit Before Tax of immediately previous three years))] to be spent on CSR during the year. The group has paid an amount of ₹ 6023 lakh (P.Y: ₹ 5075 lakh) to the CSR trust formed to manage the CSR activities which has been booked to CSR expenses as per Accounting Policy .



a) Break-up of CSR expenditures incurred as intimated by CSR Trust under various heads is as below.

(₹ Lakh)

Sr. No.	Particulars	31-Mar-23	31-Mar-22
1	Health and hygiene	2181	1194
2	Education and Skill Development	556	553
3	Promotion of Gender Equality, Empowering women etc	303	159
4	Sustainable Development	1893	527
5	Protection of national heritage, art and culture etc	189	985
6	Benefits of armed forces veterans ,war widows and their dependants	11	14
7	Preservation and promotion of culture, Melas, Sports etc	42	34
8	Infrastructural Development and Community Development	613	991
9	Slum Area Development	-	7
10	Assistance to the victims natural disasters/ calamities	56	345
11	Miscellaneous CSR activities& Administrative Exp.	140	358
	Total	5984	5167

b) (i) Amount spent during the year ended 31st March 2023

(₹ Lakh)

Particulars	In cash	Yet to be paid in cash	Amount
a) Construction/Acquisition of any Asset	2077	-	2077
b) On Purpose other than (a) above	3900	7	3907

(ii) Amount spent during the year ended 31st March 2022

(₹ Lakh)

Particulars	In cash	Yet to be paid in cash	Amount
a) Construction/Acquisition of any Asset	1925	59	1984
b) On Purpose other than (a) above	3173	10	3183

2.65 Additional Information as required by Schedule III to the Companies Act, 2013

(₹ Lakh)

Name of the Entity	Net Assets i.e total assets minus total liabilities		Share in profit or loss for the year ended		Share in other comprehensive income for the year ended		Share in total comprehensive income for the year ended	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated Total comprehensive income	Amount
A. Parent (SJVN Ltd.)								
31.03.23	51.64	715746	100.10	136049	99.51	(202)	100.10	135847
31.03.22	61.88	814976	98.56	97553	100	(163)	98.56	97390
B. Indian Subsidiaries								
SJVN Thermal Private Limited								
31.03.23	18.13	251299	(0.09)	(116)	-	-	(0.09)	(116)
31.03.22	19.07	251165	(0.11)	(114)	-	-	(0.11)	(114)
SJVN Green Energy Limited								
31.03.23	14.09	195341	(0.78)	(1056)	0.49	(1)	(0.78)	(1057)
31.03.22	-	-	(0.04)	(39)	-	-	(0.04)	(39)
C. Foreign Subsidiaries								
SJVN Arun 3 Power Development Company Pvt. Limited								
31.03.23	15.89	220159	0.46	628	-	-	0.46	628
31.03.22	16.97	223551	1.14	1131	-	-	1.14	1131
D. Indian Joint Ventures								
Cross Border Power Transmission Company Ltd.								
31.03.23	0.25	3409	0.31	425	-	-	0.31	425
31.03.22	0.25	3299	0.45	449	-	-	0.45	449
E. Foreign Joint Ventures								
Kholongchhu Hydro Energy Ltd.								
31.03.23	-	-	-	-	-	-	-	-
31.03.22	1.83	24043	-	-	-	-	-	-
Total								
31.03.23	100	1385954	100	135930	100	(203)	100	135727
31.03.22	100	1317034	100	98980	100	(163)	100	98817



2.66 Ratios

The following are analytical ratios for the Year ended 31st March 2023 and 31st March 2022.

(₹ Lakh)

Sr. No.	Particulars	Numerator	Denominator	31st March 2023	31st March 2022	Variance (%)
1	Current Ratio	Current Assets	Current Liabilities	1.13	1.56	(27.56)
2	Debt-Equity Ratio	Paid up debt capital	Shareholders Equity	1.01	0.53	90.57
3	Debt-Service Coverage Ratio	Profit before tax + interest + depreciation + exceptional items	Interest + Scheduled principal repayments of long term borrowings during the year	4.22	5.31	(20.53)
4	Return on Equity Ratio	Net profit for the year	Average Shareholders Equity	10.06%	7.63%	31.90
5	Inventory Turnover Ratio	Revenue From Operations	Average Inventory	43.38	40.69	6.61
6	Trade Receivables Turnover Ratio	Revenue From Operations	Average Trade Receivables	6.90	4.41	56.46
7	Trade payables Turnover Ratio	Other Expenses Less CSR expenses	Average Trade Payables	8.60	8.47	1.53
8	Net Capital turnover ratio	Revenue From Operations	Net Working Capital	5.35	1.64	226.22
9	Net profit ratio	Profit for the year	Revenue From Operations	46.26%	40.95%	12.96
10	Return on Capital Employed	Earning Before Interest, Tax and Exceptional Items	Shareholders Equity+Paid up Debt Capital	7.04%	7.32%	(3.73)

2.67 Govt. of Himachal Pradesh vide its notification dated 16.02.2023 has imposed water cess on the generation of electricity in Himachal Pradesh. Company has two operational projects of 1912 MW in Himachal Pradesh. However, Govt. of India, Ministry of Power vide its letter dated 25.04.2023 has termed this as illegal and unconstitutional and advised the states not to levy any taxes/duties contrary to constitutional provisions. CPSE's have also been advised not to make payment of such taxes and challenge the same in the courts. As a precautionary measure the company has filed a writ petition against the said notification in the Hon'ble High Court of Himachal Pradesh.

2.68 Board of Directors have authorised Director (Finance) and Company Secretary to rectify the errors and carry out modifications, if any.


For and on behalf of the Board of Directors


(Soumendra Das)
Company Secretary
FCS-4833


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


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

As per our report of even date
For APT & Co. LLP
Chartered Accountants
FRN-014621C/N500088


(Nimish Kumar Sharma)
Partner
M.No. 514914
Place: Shimla
Date : May 22, 2023



Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹ Lakh)

Sr. No.	Particulars / Name of the subsidiary	SJVN Thermal Pvt. Ltd.	SJVN Arun-3 Power Development Company Pvt. Ltd.	SJVN Green Energy Ltd.
1	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	From 1st April 2022 to 31st March 2023	From 16th July 2021 to 15th July 2022	From 1st April 2022 to 31st March 2023
2	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A. (Indian Company)	NPR (Incorporated in Nepal). Exchange Rate Fixed 1₹-1.6 INR	N.A. (Indian Company)
3	Share Capital (₹ Lakh)	251168	210541	130000
4	Reserves & Surplus (₹ Lakh)	(155)	3742	(1096)
5	Total Assets (₹ Lakh)	748603	422053	411341
6	Total Liabilities (₹ Lakh)	497590	207770	282437
7	Investments (₹ Lakh)	-	-	-
8	Turnover (₹ Lakh)	-	-	1253
9	Profit (Loss) before taxation (₹ Lakh)	(116)	837	(297)
10	Provision for taxation (₹ Lakh)	-	209	759
11	Profit (Loss) after taxation (₹ Lakh)	(116)	628	(1056)
12	Proposed Dividend (₹ Lakh)	-	-	-
13	% of shareholding	100	100	100

- 1 SJVN Thermal Pvt. Ltd. , SJVN Arun-3 Power Development Company Pvt. Ltd. is yet to commence business. One project of SJVN Green Energy Ltd. has commenced operation during the year
- 2 Name of subsidiaries which have been liquidated or sold during the year. - Nil

**Part “B”: Associates and Joint Ventures****Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Sr. No.	Particulars / Name of Associates / Joint Ventures	Cross Border Power Transmission Company Ltd.
1	Latest audited Balance Sheet Date	Audited up to 31.03.2022
2	Shares of Associate / Joint Ventures held by the company on the year end	26%
	No. of shares	1,26,12,473 shares of ₹ 10 each
	Amount of Investment in Associates / Joint Venture (₹ Lakh)	1261
	Extent of Holding %	26%
3	Description of how there is significant influence	-
4	Reason why the Associate/ Joint venture is not consolidated	Consolidated
5	Net Worth attributable to Shareholding as per latest Audited Balance Sheet (₹ Lakh)	3299
6	Profit / Loss for the year (After tax)	
i.	Considered in Consolidation (₹ Lakh)	425
ii.	Not Considered in Consolidation	-
1	Names of associates or joint ventures which have been liquidated or sold during the year-	Kholongchhu Hydro Energy Ltd., Bhutan

For and on behalf of the Board of Directors

(Soumendhra Das)
Company Secretary
FCS-4833

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

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

As per our report of even date
For APT & Co. LLP
Chartered Accountants
FRN-014621C/N500088

(Nimish Kumar Sharma)
Partner
M.No. 514914
UDIN-
Place: Shimla
Date : May 22, 2023



REMINDER

Dear Shareholder,

Sub: Payment of unpaid Dividend for previous years

During the past financial years, your Company has declared the following dividends since listing of its shares: -

Sr. No.	Financial Year	Interim/ Final	Dividend per Share	Declaration Date	Record Date
1.	2022-23	Interim	₹1.15	06-02-2023	17-02-2023
2.	2021-22	Final	₹0.55	29-09-2022	22-09-2022
3.	2021-22	Interim	₹1.15	10-02-2022	22-02-2022
4.	2020-21	Final	₹0.40	29-09-2021	22-09-2021
5.	2020-21	Interim	₹1.80	12-02-2021	24-02-2021
6.	2019-20	Final	₹0.50	29-09-2020	22-09-2020
7.	2019-20	Interim	₹1.70	13-02-2020	26-02-2020
8.	2018-19	Final	₹0.65	27-09-2019	20-09-2019
9.	2018-19	Interim	₹1.50	08-02-2019	20-02-2019
10.	2017-18	Final	₹0.20	25-09-2018	18-09-2018
11.	2017-18	Interim	₹1.90	09-02-2018	22-02-2018
12.	2016-17	Final	₹0.50	22-09-2017	15-09-2017
13.	2016-17	Interim	₹ 2.25	13-02-2017	24-02-2017
14.	2015-16	Final	₹ 0.47	22-09-2016	15-09-2016
15.	2015-16	Interim	₹ 0.63	04-02-2016	17-02-2016
16.	2014-15	Final	₹ 0.42	22-09-2015	15-09-2015
17.	2014-15	Interim	₹ 0.63	05-02-2015	18-02-2015
18.	2013-14	Final	₹ 0.98	09-09-2014	02-09-2014
19.	2012-13	Final	₹ 0.96	12-09-2013	05-09-2013
20.	2011-12	Final	₹ 0.94	03-09-2012	27-08-2012
21.	2010-11	Final	₹ 0.80	26-08-2011	19-08-2011
22.	2009-10	Final	₹ 0.60	15-09-2010	02-09-2010

All the Shareholders who were on the Register of Members on the respective record dates are entitled to receive the corresponding dividends.

Your company has made multiple attempts to dispatch your dividend. In case you were a member on the above record dates and have still not received any of the dividends declared during the above years, you are requested to place a request via post/ email/ Fax to the Investor Relations Department or the R&T Agent for payment of unpaid dividends quoting your full Demat Account number comprising of DP ID and Client ID / Folio No. to enable us take prompt action.

The Contact details are as under:-

Investor Relations Department	Registrar & Share Transfer Agent (R&T)
<p>Shri Soumendra Das Company Secretary, SJVN Limited SJVN Corporate Office Complex, Shanan, Shimla - 171 006, Himachal Pradesh Tel No.: +91 177 2660075 Fax No.: +91 177 2660071 E-mail Id: investor.relations@sjvn.nic.in</p>	<p>Alankit Assignments Limited, Alankit House, 4E/2 Jhandewalan Extension New Delhi, Pincode-110055 Tel No.: +91 11 42541957, Fax No.: +91 11 42541201 Email Id: rameshk1@alankit.com</p>

Thanking you

For SJVN Limited

Soumendra Das

Company Secretary



VISION

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

MISSION

To drive socio-economic growth and optimize shareholders' and stakeholders' interest by:

- Developing and operating projects in cost effective and socio-environment friendly manner.
- Nurturing human resources talent with care.
- Adopting innovative practices for technological excellence.
- Focusing on continuous growth and diversification.



OBJECTIVE

In the pursuit of above mission, the company had set for itself the following Corporate Objectives: -

- Operating and maintaining power stations with maximum performance efficiency.
- Establishing and following sound business, financial and regulatory policies.
- Taking up of other hydro power projects.
- Completion of the new projects allocated to SJVN in an efficient and cost-effective manner.
- Use of the best project management practices towards project implementation by applying latest and universally accepted Project Management Techniques, and by enabling its engineers to become certified Project Managers through further training.
- Dissemination of available in-house technical and managerial expertise to other utilities/projects.
- Creating a work culture and work environment conducive to the growth and development of both the organization and the individuals through introduction of participative management philosophy.
- Fulfilling social commitments towards society. Achieving constructive cooperation and building personal relations with stakeholders, peers and other related organizations.
- Striving for clean and green project environment with minimal ecological and social disturbances.
- To strive for acquiring Nav Ratna Status.



एसजेवीएन लिमिटेड SJVN LIMITED

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

A Mini Ratna & Schedule "A" PSU

CIN: L40101HP1988GOI008409

Registered Office: SJVN Corporate Office Complex, Shanan, Shimla-171006, Himachal Pradesh (India)

Liaison Office: Office Block, Tower-1, 6th Floor, NBCC Complex, East Kidwai Nagar, New Delhi-110023 (India)

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

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