

Report of the Directors' to the Shareholders

The Shareholders,
UJVN Limited,
Dehradun

Your Directors feel pleasure in presenting before you the 14th Annual Report of your Company together with audited accounts, report of Statutory Auditors as well as Comptrollers & Auditor General of India, Report of Secretarial Auditor, Report of Cost Auditor along with the management reply on the comments given by auditors as well as C&AG for the financial year 2014-15 that are annexed to this report.

Financial highlights:

In the 14th year of the operations of the Company, your company had earned a net profit of Rs. 4.43Crores in comparison to 12.58Crores of Rupees for financial year 2013-14. The financial highlights in brief are as under:-

(Rs. in crores)

Particular	2013-14	2014-15
Sale of Power	374.39	446.16
Profit before Depreciation, Interest, Prior Period adjustments & Tax	125.65	217.50
Less: Depreciation	72.60	78.80
Profit after Depreciation and before Interest, Prior Period adjustments and Tax	53.05	138.70
Less: Interest Cost	111.47	113.59
Profit after Depreciation and Interest before Prior Period adjustments and Tax	(58.42)	25.12
Add/(Less): Prior Period Items	163.34	(0.93)
Less: Extraordinary Item	91.59	18.49
Profit before tax	13.33	5.70
Less: Tax	0.75	1.27
Profit after Depreciation, Interest and Tax	12.58	4.43

The major reasons for changes in sale of energy and change in net profit are as under:-

- Increase in Sales is mainly due to recovery of arrears of MB-II w.r.t. short fall in EC in FY 2013-14 in current year.
- Increase in other income is due to increase in excess provisions written back during the year
- Decrease in net profit after tax due to loss of assets amounting to Rs. 18.49 crore is attributable to Sobla, Gangori and Lohiahead.

Extract of Returns

A. Annual Return

The extract of Annual Return in terms of Sec. 92(3) of The Companies Act, 2013 in the prescribed form MGT-9, is enclosed & forms essential part of this report.

The share capital at the start of financial year was Rs. 873.58 crores and during the year under report, the paid up capital increased by Rs. 202.21 crores and as on 31st March, 2015 the paid up capital of the Company was Rs. 1075.79 crores.

B. Salient features of Balance Sheet & P & L Account

Statement containing salient features of Balance sheet and Profit & Loss account in terms of first proviso of Section 136(1) and Rule 10 of The Companies (Accounts) Rules, 2014 in the prescribed form AOC-3 is enclosed as part of the Board report.

Board Meetings and change in Directors.

During the year under report, the Company had held 4 no. of Board meetings and 6 no. of Audit Committee meetings. By and large Directors were regular in attending the meetings except for the following three directors who have absented continuously for a period of 12 months from Board meetings with or without seeking leave of absence and have ceased to be a director by operation of law as per the provisions of Section 167(1)(b) of The Companies Act, 2013.

1. Sh. Rakesh Sharma
2. Sh. S. Ramaswami
3. Dr. M.C. Joshi

Since the directors of your company are appointed by Government of Uttarakhand, consequentially, the matter was referred to them for re-appointment or replacement of these directors.

Government of Uttarakhand vide their letter no.588/I/2015-05/38/2014 dated 22nd June, 2015 had reappointed Sh. Rakesh Sharma & Sh. S. Ramaswamy on the Board.

Directors' Responsibilities Statement

Your directors affirm and declare that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, in the case of a listed company had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

Explanation- For the purposes of this clause, the term "internal financial controls" means the policies and procedures adopted by the company 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, and the timely and completeness of the accounting records, and the timely preparation of reliable financial information;

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Independent Directors and Women Director

During the year under report, your company has three independent directors namely Sh. J.L. Bajaj, Retired IAS officer, Sh. C.M. Vasudev, Retired IAS officer and Sh. S.C. Sen, Retired Director Technical, NHPC. These independent directors possess required qualifications as prescribed by Sec. 149(6) of The Companies Act, 2013.

The meeting of the independent directors without the presence of other directors and the management personnel as prescribed under Schedule IV, Point VII of The Companies Act, 2013 was held on 25th March, 2015 and the directors reviewed the performance of the management and had decided to make the criteria for independent evaluation by the Board which will be placed in financial year 2015-16.

Government of Uttarakhand vide their letter no. 517/2015-04/25/2015 dated 27th May, 2015 has communicated the consent of Honorable Governor of Uttarakhand to appoint the following directors as independent directors of the Company for a span of 5 years.

1. Mrs. Radha Raturi - Independent Director & Woman Director
2. Shri J. L. Bajaj - Independent Director
3. Shri C. M. Vasudev - Independent Director
4. Shri S. C. Sen - Independent Director

Subsequent to this Government of Uttarakhand vide their letter no. 588/1/2015-05/38/2014 dated 22-06-2015 had communicated the consent of Governor to appoint the following Directors:-

1. Shri B.S.P. Sinha
2. Shri Raj Kumar

In this way, the Company is having 6 independent Director out of which one is Woman Director also. This was approved by Board of Directors in their 75th Board Meeting held on 27th June 2015.

In terms of Section 134 (3) of The Companies Act, 2013, your company has to prepare a policy for financial evaluation to be made by Board of its own performance and its committees and individual directors and the same is under finalization. Hence, no such evaluation is made by directors under report.

Your company is also required to appoint a woman director on the Board because the paid up capital of the Company is more than 100 crores and turnover of the Company is more than 300 crores. Since director is to be appointed by the Government of Uttarakhand, therefore, the matter has been referred to the Government and their decision come in financial year 2015-16. Consequentially, no woman director was appointed in the financial year under report. However, in the financial year 2015-16, your company has appointed Mrs. RadhaRaturi a serving IAS officer as a woman director on the Board.

Nomination & Remuneration Committee

Your Company has a Nomination and Remuneration Committee having the following composition:

Sh. J.L. Bajaj
Sh. C.M. Vasudev
Sh. S.N. Verma, MD
Sh. Arun Sabharwal, Secretary of Nomination and Remuneration Committee.

The roles and functions prescribed for the Nomination and Remuneration Committee in terms of Sec. 178 of The Companies Act, 2013 are in contradiction with Article 68 of Article of Association of the Company wherein the financial power for fixation of remuneration and other related matters are vested with the Government of Uttarakhand. The Board of Director in their 71st meeting held on 11th June, 2014 had resolved and forwarded the matter to the Government of Uttarakhand for adjudication and for issuing the order to amend the Article 68 of Article of Association with the Company and to make it in line with Sec. 178 of The Companies Act, 2013. The decision of Government of Uttarakhand is awaited.

The Board of Directors in their 75th meeting held on 27th June, 2015 had decided to keep the matter pertaining to Nomination & Remuneration Committee in abeyance till such time any decision is received from the Government of Uttarakhand in this regard.

Audit Reports:

The report of Statutory Auditors, Report of Comptroller & Auditor General, Report of Secretarial Auditor and Report of Cost Auditors are enclosed along with reply of management on the individual observations of these auditors on various issues.

Loans and Advances:

Your directors declare that your Company has not given any loan or have not made any investment or have not given in security to any other company during the financial year under report.

Related Party Contracts

The Company has not made any contract or arrangement with the related parties except with UPCL for power purchase agreement and matters incidental relating thereto. This agreement has been made as a part of the routine business practice and as a prudent commercial decision and was approved unanimously by the Board including the interested as well as dis-interested directors.

State of Company Affairs

Your company had a turnover of Rs. 446.16 crores & net profit of Rs. 4.43 crores during the year under report. Your directors are also pleased to inform that your company is making a constant growth.

Dividend

The Company is having net profit after tax Rs. 4.43 crores and considering the financial requirements in the next financial year and as a matter of prudent policy your company do not propose any declaration of dividend for the year under report and an amount of Rs. 4.43 crores that will be left as a surplus will be carried out to reserves.

Material Changes

There have been no material changes and commitments that have an impact on the financial position of the Company and that have occurred from 1st April, 2015 till date of reporting.

Corporate Social Responsibility

There is a Corporate Social Responsibility Committee constituted by the Company having the following composition :-

- Sh. J.L. Bajaj, Independent Director
- Sh. C.M. Vasudev, Independent Director
- Sh. S.C. Sen, Independent Director
- Sh. S.N. Verma, Managing Director
- Sh. Sandeep Singhal, Director (Projects)
- Sh. Arun Sabharwal, Secretary CSR Committee.

The CSR Policy has been approved by the Board of Directors in their 75th meeting held on 27th June, 2015. The Statutory information on the CSR in the prescribed format is annexed and forms an essential part of Board Report.

Conservation of Energy

The following steps have been taken for conservation of energy, utilization of alternate source of energy and capital investment on energy conservation equipment:

- a. The conventional illumination equipments e.g. normal bulbs & tube lights have been replaced with the more efficient equipments like CFL & LED.
- b. Instructions have been issued to individuals to switch off the electrical equipments like computers, printers & copiers etc before leaving the office for conservation of energy in the office premises.
- c. Further all the security guards have been made responsible to visit each room before closing the office and make sure that all electrical equipments have been switched off.
- d. In order to assess and optimize the performance of Power Stations and Conservation of Energy, Energy Audit of old Power Stations (Dhakrani, Dhalipur & Kulhal) has been carried out by

- M/s PCRA (Petroleum Conservation Research Association). M/s PCRA has submitted a draft report.
- e. Any Capital Investment on account of implementation of Energy Conservation Measures shall be considered in phased manner and shall be carried out by the respective power stations.
- f. **Utilization of Alternate Source Of energy:** UJVN Limited has made a foray into exploitation of Solar Energy for utilization of alternate sources of energy.
- A 100 kWp Roof Top Solar PV Project was installed and commissioned at Corporate Office at 'UJJWAL' GMS Road Dehradun on 22-12-2012.
 - A 500 kWp Roof Top Solar PV Projects has been installed and commissioned at Pathri Power Station premises, recently on 31-03-15.
 - Grid connected 4.398 MW at Khodri HEP and 1.466 MW at Dhakrani HEP, Solar PV Project have been allotted to UJVNL. Work regarding award of contract for these two allotted Projects is under progress.
 - 19 MW Grid Connected Canal Bank Solar PV Project and 1 MW Grid Connected Canal Bank Solar PV Project is proposed on Yamuna Power Channel. DPR alongwith Proforma for disbursement of subsidy has been submitted to MNRE. 20% subsidy for Canal Top Project had been received. Preparation of DPR for Canal Top Solar Project on Chilla Power Channel is under progress through IIT Roorkee.

Technology absorption

The information relating to foreign exchange inflow and outflow are as under:-

Earning in foreign currency	Nil
Expenditure in foreign currency	Nil

Identification of Risk and Risk Management Policy

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in

reporting, evaluating and resolving risks associated with the business. The specific objectives of the Risk Management Policy are:

1. To ensure that all the current and future material risk exposures of the organization are assessed, identified, quantified, appropriately mitigated and managed
2. To establish a framework for the risk management process and to ensure its organization-wide implementation
3. To ensure systematic and uniform assessment of risks related with construction projects and operational power stations
4. To mitigate Interest rate risk and Foreign exchange fluctuations on account of high debt exposure
5. To enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices
6. To assure business growth with financial stability.

Renewable energy projects life cycle is full of various risks which will cause cost and schedule overrun or project failure. The data gathered for identification of the highest risk as political and regulatory changes for renewable energy projects in developing countries like India. Similarly, the most important business risk involved is of regulation and compliance. Construction of hydropower plants involves uncertainties because of various external factors such as site geology, grid connection, paucity of funds and environmental issues. These factors increase the construction costs and duration. For example, in one of the hydropower plant in India, namely ManeriBhali stage-2, the cost of civil works increased because of closure of project due to paucity of funds. Unpredicted geologic structure at the tunneling sites also contributes to the increase in cost. In another example, the Government of India closed two major hydroelectric power projects under construction stage in Uttarakhand, canceling the construction altogether because of the environmental issues namely Lohari Nag Pala and Pala Maneri. The risk factors and their evaluation criteria are listed as below:

Risk Factor	Score (1)	Score (2)	Score (3)	Score (4)
Site Geology	Rock mass quality is	Rock mass quality is	Rock mass quality is	Soil with high

	vrygood- good: RQD=%60- 100	vrygood- good: RQD=%60- 100	vrygood- good: RQD=%0-100	ground water level
Hydrological	Project has detailed Hydrological data	Project has detailed Hydrological data	Project has no Hydrological data	Project is in Cloud burst zone
Land use Property of Treasury	Forest property	Private property	Agricultural property	Private Residential area
Environment al Issues	Project has detailed Environment al Impact Report	Project has detailed Environment al Impact Report	Project has no Environment al Impact Report	Project is in an ecology sensitive area
Grid Connection	Close to power system	Near to power system	Far to power system	Connection to the power system has some limitations
Social Acceptance	Project has detailed Social Impact Report	Project has Social Impact Report	Project has no Social Impact Report	
Local community benefit from the river or the surrounding land	Financial Economic performance of country is very high	Economic performance of country is high	Economic performance of country is medium	Economic performanc e of country is low
Natural Hazards Change in Laws and Regulations	Low risk Political risk of country is low	Medium risk Political risk of country is medium	High risk Political risk of country is high	Very high risk Political risk of country is high
Terrorism	Terror risk index of country is low	Terror risk index of country is medium	Terror risk index of country is high	Terror risk index of country is extreme
Infrastructur e	Very easy	Easy	Access to Difficult	Very Difficult
Technological	Technical capability is high	Technical capability is Good	Technical capability is low	No Technical capability
Revenue	Design	Design	Design	Design

	discharge is high reliable	discharge is medium reliable	discharge is low reliable	discharge is unreliable
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Risk Management consists of three basic steps:

1. Risk Identification: As discussed above identification can be done by following a structural approach of risk identification into economical, technical, socio-economic and environmental risks.
2. Risk Analysis: Probabilistic risk analysis, although more complex and costly in terms of analysis time and effort compared to the point estimates, provides a plausible scientific tool to identify and qualify the uncertainties of risk estimates.
3. Risk Resolution: Risk assessment including risk identification and risk analysis can be used for development efficient resolution strategies to obtain investor confidence.

Further, for improving the Operational Efficiency and life of the old plant Renovation modernization & Upgradation Activity is being Carried Out by UJVNL. For taking care/ recovery from risk due to disaster an Industrial All Risk Insurance Policy Cover for UJVNL Ltd 9 Large Hydro Plants, 3 Small Hydro Plants and ManeriBhali stage - II Hydro Plant has been taken by UJVNL. However as per the statutory requirements of Companies Act 2013, every private limited company is required to prepare and Enterprise Risk Management Policy and framework. UJVNL needs to prepare such a policy to meet this requirement.

Conclusions

The risks affect, what is most important to owner and operators alike, the profitability. Detail planning of risk identification, analysis and their resolution can eliminate the chances of time and cost over-run in a hydropower project. The planning should cover the entire project life cycle i.e. from investigation till operation & maintenance. Proper contract agreement can eliminate losses due to risks involve during construction stage. Power purchase agreement should be based on availability base tariff i.e. higher will be tariff in peaking hours. Proper site selection can elimination chances of damage due to extreme weather conditions because most of the hydropower projects are located in hilly regions.

Information about Directors/Key Managerial Person & Changes

The following were the directors of the Company as on 31st March, 2015.

Sl.No.	Name	Designation
1	Shri Umakant Panwar	Chairman
2	Shri J.L. Bajaj	Independent Director
3	Shri C. M. Vasudev	Independent Director
4	Shri S. C. Sen	Independent Director
5	Shri Rakesh Sharma	Additional Chief Secretary (Ind. Dev.) & (Finance) Government of Uttarakhand.
6	Shri S. Ramaswamy	Principal Secretary, (Planning) Government of Uttarakhand.
7	Shri Shailesh Bagauli	Secretary, Government of Uttarakhand.
8	Dr. M. C. Joshi	Additional Secretary Government of Uttarakhand.
9	Shri S.N. Verma	Managing Director, UJVNL
10	Shri Sandeep Singhal	Director (Projects) UJVNL

During the period 1st April, 2014 till 31st March, 2015, following changes took place in the composition of Board of Directors & Key Managerial Personnel:-

Sl.No.	Name	Appointment/ Cessation	Date
1	Shri B. P. Pandey	Cessation	26.05.2014
2	Dr. Umakant Panwar	Appointment	30.06.2014
3	Shri C. P. Madan	Appointment	30.06.2014
4	Shri Shailesh Bhagauli	Appointment	29.11.2014
5	Shri G. P. Patel	Cessation	31.01.2015

6	Shri C. P. Madan	Cessation	31.01.2015
7	Shri Subhash Kumar	Cessation	16.03.2015
8	Shri S. N. Verma	Appointment	31.01.2015

INFORMATION ABOUT CHANGES IN THE YEAR UNDER REPORT:

A. BOARD OF DIRECTORS

1. Shri Umakant Panwar, Secretary (Energy) was appointed as Chairman of UJVN Limited in place of Shri Subhash Kumar.
2. Shri S.N. Verma, Managing Director was appointed as Key Managerial Personnel of UJVN Limited as he has taken charge from Shri G.P. Patel who was transferred to his parental Company.
3. Shri Shailesh Bagauli was appointed as director on the Board of UJVN Limited being additional Secretary (Energy).
4. Shri B.P. Pandey ceased to be the director from the Board of UJVN Limited due to transfer.

B. KEY MANAGERIAL PERSONNELS

1. Shri G.P. Patel, Shri Sandeep Singhal, Shri C.P. Madan and Shri Arun Sabharwal were appointed as Key Managerial Personnel of UJVN Limited.
2. Shri S.N. Verma, Managing Director was appointed as Key Managerial Personnel of UJVN Limited as he has taken charge from Shri G.P. Patel who was transferred to his parental Company.
3. Shri G.P. Patel ceased to be Key Managerial Personnel of UJVN Limited in consequence to his transfer to his parental company.
4. Shri C.P. Madan ceased to be Key Managerial Personnel due to his retirement from the service of UJVN Limited.

From 1st April 2015 till date of report Shri Amitabh Maitra, General Manager (Finance) Executive Director (Finance) I/c has been declared as a CFO and Key Managerial Person in the Board meeting held on 27th June, 2015. Shri Amitabh Maitra has left organization and upon joining of Shri L. M. Verma as Director (Finance) in the Company, he shall be appointed as CFO for which agenda for consideration has been placed in the Board Meeting scheduled for 30th September, 2015.

Details of Subsidiary, Joint Venture etc.

Your Company does not have any subsidiary, joint venture or associate company during the year under report.

Acceptance of Deposit

Your company has not accepted any deposit from other body corporate and on general public hence a Nil disclosure under Chapter 5 is made.

Order of Regulators and Courts

Judgement of Supreme Court

Supreme Court vide order dated Aug 2013 prohibited for according any environment and forest clearance for hydroelectric power projects in Uttarakhand till the report of expert committee constituted by MoEF is received and further accepted. The report of the committee has to deliberate upon issues such as WII report, e-flow, impact of hydro projects disaster etc.

Orders of Regulator (UERC)

1. The Hon'ble UERC issued following order/s during FY 2014-15:

1.1 True-up of Tariff for the FY 2008-09 to FY 2012-13 & Tariff Order for FY 2014-15:-

UJVN Ltd under Section 64(1) read with Section 61 and 62 of the Electricity Act, 2003 & Regulation 11(1) of the UERC (Terms and Conditions for determination of Tariff), Regulations, 2011, filed separate Petitions for its 10 Large Hydro-generating stations (LHPs) on November 28, 2013.

The Hon'ble UERC issued the tariff order for True-up of Tariff for the FY 2008-09 to FY 2012-13 and Annual Performance Review for the FY 2013-14 dated 10.04.2014 released on 08.05.2014. The main features of the tariff order were as follows:-

- i. (a) The Annual Fixed Charges (AFC) approved by the Hon'ble Commission for the 9 Large Hydro Plants excluding MB-II HEP for the F.Y 2014-15 and the financial implication thereof are tabulated below:-

Particulars	(Rs. Crore)	
	AFC Approved by Hon'ble UERC	
	Vide MYT Order dated 06.05.2013	Vide APR Order dated 10.04.2014
	FY 2014-15	
9 LHPs	239.96	247.78
Increase in AFC		7.82
% Increase in AFC		3.26%

(b) The Hon'ble Commission has approved Gross Annual Fixed Charges (AFC) for FY 2008-09 to FY 2012-13 of 9 LHPs after truing up and has calculated the net impact to be carried forward with reference to the AFC approved in the previous Order. The net impact of true up of expenses has been apportioned between UPCL and HPSEB on the basis of their capacity shares in the Plants.

The Commission has trued-up the Surplus/(Gap) for 9 LHPs pertaining to FY 2008-09 to FY 2012-13 to be recovered by UJVN Ltd. from UPCL and HPSEB.

The Hon'ble Commission has approved an amount of Rs. 39.06 Crore and Rs. 7.29 Crore on account of Truing up of 9 LHPs for FY 2008-09 to FY 2012-13 and directed UJVN Ltd. to recover the said approved amount from UPCL and HPSEB respectively in 11 equal monthly installments commencing from May 2014 to March 2015.

- ii. (a) The Annual Fixed Charges approved by Hon'ble Commission for MB-II HEP for F.Y. 2014-15 and the financial implication thereof is tabulated below:-

Particulars	(Rs. Crore)	
	AFC Approved by Hon'ble UERC	
	Vide MYT Order dated 06.05.2013	Vide APR Order dated 10.04.2014
	FY 2014-15	
MB-II	214.18	231.92

Increase in AFC		17.74
% Increase in AFC		8.28%

(b) The Hon'ble Commission has Trued-up the Surplus/(Gap) for MB-II pertaining to FY 2007-08 to FY 2012-13 to be recovered by UJVN Ltd. from UPCL.

The Hon'ble Commission has approved an amount of Rs. 117.34 Crore towards Truing up for FY 2007-08 to FY 2012-13 on account of revision of Capital Cost of MB-II and directed UJVN Ltd. to recover the said approved amount from UPCL in 11 equal monthly installments commencing from May 2014 to March 2015.

(c) The Hon'ble Commission, as an ad-interim measure has allowed an additional amount of Rs. 90 Crore towards Capital Cost of MB-II as on CoD. This revision is provisional and is subject to final true up on final determination of Capital Cost for this project by the Hon'ble Commission. The Hon'ble Commission has, accordingly, provisionally revised the Capital Cost to Rs. 1831.72 Crore from the earlier approved Capital Cost of Rs. 1741.72 Crore as on COD i.e. 15 March, 2008 as against actual Capital Cost of Rs. 1958.13 Crore incurred till that date as approved by the BOD of UJVN Ltd. and petitioned by UJVN Ltd.

2. The Hon'ble UERC issued Tariff Order for FY 2015-16 on dated 11.04.2015:-

The Hon'ble UERC issued the tariff order on dated 11.04.2015 for True-up of Tariff for the FY 2013-14, Annual Performance Review for the FY 2014-15 and Annual Fixed Charges for FY 2015-16. The main features of the tariff order were as follows:-

2.1 AFC for FY 2013-14 (True Up) and Revised Approved AFC for FY 2015-16

The True up of FY 2013-14 and Revised Annual Fixed Charges (AFC) for the FY 2015-16 approved by the Hon'ble Commission for the 9 Large Hydro Plants (MB-II HEP not included) and the financial implication thereof are tabulated below:-

Particulars	Saleable Energy (MUs)	Net AFC Approved as per MYT order dated 06.05.13	Net AFC Trued up as per APR order dated 11.04.15	Net AFC Approved as per MYT order dated 06.05.13	Net AFC Trued up as per APR order dated 11.04.15
		FY 2013-14		FY 2015-16	
AFC	3140.13	225.83	225.59	250.17	263.92
Increase/Decrease in AFC			-0.24		13.75
% Increase/Decrease in AFC			-0.11%		5.50%

2.2 True up details of 9 LHPs for FY 2013-14

The Hon'ble Commission has computed surplus of Rs. 0.10 Crore and Rs. 0.14 Crore on account of Truing up of 9 LHPs for FY 2013-14. The actual recovery or refund depends upon the Actual Annual Plant Availability Factor and energy billed to UPCL and HPSEB. The Hon'ble Commission has directed UJVN Ltd. to recover or refund the surplus or gap as actual with carrying cost to UPCL and HPSEB respectively in 11 equal monthly installments commencing from May 2015 to March 2016.

2.3 ManeriBhali-II

a) Capital Cost

The Hon'ble Commission based on the submissions made by UJVN Ltd and the report of the Expert Consultant (appointed by the Hon'ble Commission) has approved the final Capital Cost of Rs. 1889.22 Crore of MB-II as on CoD of the Project as shown in the table below:

Particular	Claimed (as on CoD)	Approved (as on CoD)
Capital Expenditure	1494.70	1494.70
Add: Adjustment on Account of DRB Award	44.51	44.51
Price Variation	0.00	-7.94

Sub-total (A):	1539.21	1531.27
IDC & Other Financial Charges		
Interest paid to PFC	287.57	257.41
Guarantee Fee	40.86	28.86
Intt. On GoU Loan	5.04	5.04
Intt. Repayment AGSP	66.64	66.64
Excess Guarantee Fee Payable	18.81	0.00
Sub-total (B):	418.92	357.95
Total Capital Cost (A+B):	1958.13	1889.22

Thus the final approved capital cost has got an increase of Rs 57.50 Crore against earlier provisionally approved capital cost of Rs. 1831.72 Crore vide Commissions order dated 10.04.2014.

b) AFC for FY 2013-14 (True Up) and Revised Approved AFC for FY 2015-16 for MB-II:-

The True up of FY 2013-14 and Annual Fixed Charges (AFC) for the FY 2015-16 approved by the Hon'ble Commission for MB-II HEP and the financial implication thereof are tabulated below:-

Components	Saleable Energy (MUs)	Net AFC Approved as per MYT order dated 06.05.2013	Net AFC Trued up as per APR order dated 11.04.2015	Net AFC Approved as per MYT order dated 06.05.2013	Net AFC Trued up as per APR order dated 11.04.2015
		FY 2013-14		FY 2015-16	
		219.30	223.87	209.13	218.98
Increase/Decrease in AFC			4.57		9.85
% Increase/Decrease in AFC			2.08%		4.71%

c) The True up of MB-II for FY 2007-08 to FY 2013-14

The Commission approved Rs. 118.54 Crore towards Truing up of MB-II for FY 2007-08 to FY 2012-13 on account of revision of capital cost from Rs. 1831.72 Crore to Rs 1889.22 Crore and directed UJVN Ltd to recover the said amount from UPCL in 11 equal monthly installments commencing from May 2014 to March 2015.

d) Review of NAPAF of MB-II for FY 2013-14
 UJVN Ltd. Petitioned for revision of NAPAF of MB-II HEP for FY 2013-14 from 60% as approved vide Tariff order dated 10.04.2014 to 39.375%.

The Commission has allowed relaxation of 1.77% in NAPAF of MB-II HEP for FY 2013-14 and has directed to revise the bills for FY 2013-14 on approved 58.23% NAPAF. This would result in recovery of Rs. 3.739 Crore on account of revised AFC after true up.

2.4 Total Recoveries form UPCL and HPSEB on account of true up and revised capital cost of MB-II:

Sl. No.	Particulars	Amount to be recovered / (refunded) in 11 monthly installments (Rs. Crore)	
		UPCL	HPSEB
1.	For 9 LHP's on account of True up for FY 2013-14	(1.28)	(0.27)
2.	For MB-II on account True up due to revision of capital cost from FY 2007-8 to FY 2012-13 and revision of NAPAF and True up for FY 2013-14	125.71	-
Total		124.43	(0.27)

2.5 Average Pool Rate/Unit on the basis of approved AFC for FY 2015-16:

Name of Beneficiary	Average Pool Rate/Unit (Rs./kWh) for FY 2014-15	Average Pool Rate/Unit (Rs./kWh) for FY 2015-16
UPCL	1.050	1.050
HPSEBL	0.723	0.800
Overall	1.023	1.029

3. The Hon'ble UERC's has issued order on dated 09.01.2015 in UJVN Ltd's Petition "Dispute between UJVN Ltd. and Uttarakhand Power Corporation Limited (UPCL) relating to payments". The detail of amount recoverable from UPCL is given here under:-

S. No.	Particulars	Provisionally Reconciled amount of dues on UPCL as on 31.07.2015 (In Crore)
1.	Energy Charges.	197.64
2.	Capacity Charges (FY 2004-05 to 2012-13)	66.60
3.	Capacity Index Incentive (9LHPs) (FY 2004-05 to FY 2012-13)	35.61
4.	Income Tax (FY 2003-04 to FY 2013-14)	56.44
	Total	356.29

UPCL has paid first installment of Rs. 18,96,05,179.00 on dated 31.08.2015 in compliance of above order.

Internal auditors

As per provisions of Section 138, your company is required to appoint an internal auditor of the Company. In compliance to these provisions your company is having a dedicated Internal Audit Cell as per the requirements of the Act under the Control of Managing Director. Apart from this C.A. firms have been engaged to conduct concurrent audits. The observation and comments of auditors are reviewed constantly by the Audit Committee in their meetings as an essential agenda item.

Disclosures about Remuneration & Net Worth

The following are the Statutory Declarations as per clause (5) of Appointment & Remuneration of Managerial Personnel Rule, 2014.

Your company is not a listed Company on any of the stock exchange.

The net worth of the Company as on 31st March, 2015 was Rs. 1343.37crores in comparison to Rs. 1331.44 crores as on 31st March, 2014. Thus resulting in increase of 0.89%. The major reasons for increase in net worth are as under:

1. Increase due to fresh share application money received during the year
2. Increase due to surplus transfer to reserves
3. None of the employee in the Company was in receipt of remuneration exceeding Sixty Lakh Rupees per annum or 5 Lakh Rupees per month and hence nil disclosure is made.
4. The following employees were in receipt of remuneration in the financial year 2014-15 which was more than the remuneration drawn by the Managing Director or Whole Time Director. However, these employees do not hold either by themselves or along with their spouses and dependent children 2% or more share capital of the Company. Details of such employees is as under:-

Name	Designation	Regular or Contractual	Qualification	Experience	Date of Joining	Age	Last Employment	Whether relative of Director/MD
Vineet Kumar Saxena	GM(E&M)	Regular	B. Tech(Mech.)	37 yrs	17.6.78	59 yrs	UPSEB	No
Arvind Kumar	GM(Civil)	Regular	B. Tech(Civil)	36 yrs	09.8.79	59 yrs	-do-	No
Surendra Kumar	GM(E&M)	Regular	BE(Elect.)/ MBA(Marketing)	30 yrs	03.10.85	55 yrs	-do-	No
Pankaj Kumar	GM(E&M)	Regular	B. Tech(Mech.)	30 yrs	16.8.85	54 yrs	-do-	No
Irshad Ali	GM(E&M)	Regular	B. E. (Mech.)	30 yrs	09.11.85	54 yrs	-do-	No
Shail Kumari Jaiswal	GM(E&M)	Regular	B. Tech(E&C)	30 yrs	31.10.85	59 yrs	-do-	No
Himanshu Awasthi	GM(E&M)	Regular	B. Tech. (Elect)	28 yrs	23.3.87	51 yrs	-do-	No
Sarjaya Mittal	GM(E&M)	Regular	BE(Elect.)	28 yrs	24.3.87	53 yrs	-do-	No
Mohd. Nasir	GM(E&M)	Regular	B. Sc. (Engg.) (Elect.)	28 yrs	23.3.87	53 yrs	-do-	No
Vipin Behari	GM(E&M)	Regular	BE(Elect.)	28 yrs	24.3.87	53 yrs	-do-	No
Vinay Kumar	Sr. Accounts Officer	Regular	M. Com	38 yrs	6.8.77	59 yrs	-do-	No
Arun Kumar Kannoja	Medical Officer	Regular	MBBS	29 yrs	30.4.86	56 yrs	-do-	No

Major problems being faced by the Company

Risks and Concerns

UJVN Ltd. is facing various risks each of which need different approaches for mitigation:

- Risks common to several players in the sector and country of operation
- Risks very specific to the Company due to the way its businesses/operations are structured
- Disaster Management and Business Continuity Risks which are by nature rare, but are events with dramatic impact.

The key risks and concerns facing the UJVNL are as follows:

- **Change in regulatory framework:** The Central Electricity Regulatory Commission has notified the regulations containing terms and conditions for determination of tariff for the period 2014-19 in February 2014. Through these regulations the Commission has stated that cost overrun (including escalation in contract prices, IDC and IEDC of power projects) on account of delay in construction of power plants for any reasons such as delay in land acquisition, delay in execution of the project by contractor or supplier etc shall not be passed on to the beneficiaries. The increase in capital cost of the power plants on account of time and cost overrun shall thus not be allowed. If also adopted by UERC, this will lead to severe implications for new and RMU projects planned by UJVNL.
- **Environment regulation and policies:** Environment regulation and policies are likely to become more stringent in the future which may lead to escalation in time and cost of construction of power plants.
- **Rehabilitation and Resettlement (R&R) issues:** R&R issues are very common with hydro power plants. This is one threat which is almost unavoidable, which may cause delay in project implementation. Further, as per provision in the CERC Tariff Regulations, 2014, IDC & IEDC shall be allowed only up to Scheduled Commercial Operation Date SCOD (date(s) of commercial operation of a generation project as indicated in the investment approval or as agreed in PPA), except force majeure events and change in law

conditions. Which will cause loss of IDC & IEDC on account of the delay caused due to R&R issues, if UERC also adopts this provision in its future regulations.

- **Disaster related issues:**

Disaster issues are among the biggest threats to UJVNL, as hydro power plants are directly affected with environmental issues, like land slide, loss of rain, flood, earth quake, etc. Uttarakhand has recently seen a major natural calamity, which lead to widespread damage to generation assets of the company and resulted in loss in power generation and revenue.

- **Operational Efficiency:** About 77% of installed capacity is older than 35 years. Due to high vintage the operational efficiency of these plants has declined. The condition of the auxiliaries, instruments, protective relays and control equipment has deteriorated. Due to this, availability of many machines has been adversely affected, in spite of best and timely maintenance.

- **Weather Dependent Business:** Hydro Power Generation is directly related to the weather. During winter season the generation goes down substantially. Moreover, the weather cycle is changing due to global effect which is directly affecting the future forecasting of generation from the project and hence the forecasting of revenue. This weather dependence is affecting the long term business plan of UJVNL.

- **Competition from private developers:** Several private companies have successfully entered hydro power generation business over the last decade. Private investment in hydro power is projected to increase over the next decade with several power plants in various stages of completion. UJVNL shall have to compete with these private developers for expansion of its business, with its upcoming projects. Hence, UJVNL must ensure to adopt the best project management practices and the best available and commercially viable technologies, to make its upcoming projects competitive with those developed by the private developers.

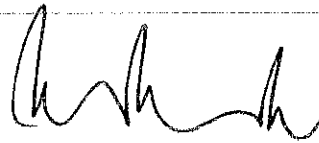
Information Technology

Your Company is committed to remain in the forefront in deploying tools and technologies in the areas of IT & Communications to create a state of the art information infrastructure in the organization covering Corporate Office, upcoming Projects and operating Power Stations. Desktop/Laptop computers have been provided in adequate numbers in order to create sufficient computing facilities. Also initiative has commenced to implement ERP solutions in the organization.

Acknowledgements

The Board of Directors acknowledge with deep appreciation, the cooperation and guidance received from the Government of Uttarakhand and in particular the Department of Energy, Department of Finance, Department of Company Affairs Government of India, Central Electricity Authority, Central Water Commission, UPCL, PTCUL, HPSEB. The Board also places on record its appreciation for continuing support, faith and confidence reposed and record its deep appreciation for the cooperation extended by Statutory Auditors, Office of Comptroller & Auditor General of India, Cost Auditors and Secretarial Auditors. Further, the Board wishes to record its deep gratitude to all the officers and employees of UJVNL family whose enthusiasm, dedication and cooperation have made the achievement of a satisfying performance possible. The Board is also confident that the officers and employees will continue to contribute their best in the coming years as they had been doing in the previous years.

For and on behalf of the Board of Directors



Chairman



30/9/15

Place: Dehradun

Date: 30.09.2015

Annexure forming part of report of Directors' to shareholders

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:		
1	CIN	40101UR2001SGC025868
2	Registration Date	12/02/2004
3	Name of the Company	UJVN LIMITED
4	Category/Sub-category of the Company	PUBLIC LIMITED COMPANY
5	Address of the Registered office & contact details	UJJWAL, MAHARANI BAGH, G.M.S. ROAD, DEHRADUN - 248006 (UTTARAKHAND), Phone: 0135 - 2763808
6	Whether listed company	NO
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)			
	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Electric power generation by hydroelectric power plants	35101	100%
2			
3			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1					
2					
3					

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 31-March-2014)				No. of Shares held at the end of the year (As on 31-March-2015)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF		6	6	0.00007%		11	11	0.00010%	83.33%
b) Central Govt			-	0.00%			-	0.00%	0.00%
c) State Govt(s)			-	0.00%			-	0.00%	0.00%
d) Bodies Corp.			-	0.00%			-	0.00%	0.00%
e) Banks / FI			-	0.00%			-	0.00%	0.00%
f) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (1)		6	6	0.00007%		11	11	0.00010%	83.33%
(2) Foreign									
a) NRI Individuals			-	0.00%			-	0.00%	0.00%
b) Other Individuals			-	0.00%			-	0.00%	0.00%
c) Bodies Corp.			-	0.00%			-	0.00%	0.00%
d) Any other			-	0.00%			-	0.00%	0.00%
Sub Total (A) (2)			-	0.00%			-	0.00%	0.00%
TOTAL (A)		6	6	0.00007%		11	11	0.00010%	83.33%

B. Public Shareholding								
1. Institutions								
a) Mutual Funds			-	0.00%		-	0.00%	0.00%
b) Banks / FI			-	0.00%		-	0.00%	0.00%
c) Central Govt			-	0.00%		-	0.00%	0.00%
d) State Govt(s)		8,735,783	8,735,783	99.9999%		10,757,878	10,757,878	99.9999%
e) Venture Capital Funds			-	0.00%		-	0.00%	0.00%
f) Insurance Companies			-	0.00%		-	0.00%	0.00%
g) FIs			-	0.00%		-	0.00%	0.00%
h) Foreign Venture Capital Funds			-	0.00%		-	0.00%	0.00%
i) Others (specify)			-	0.00%		-	0.00%	0.00%
Sub-total (B)(1):-	-	8,735,783	8,735,783	100.00%	-	10,757,878	10,757,878	100.00%
2. Non-Institutions								
a) Bodies Corp.								
i) Indian			-	0.00%		-	0.00%	0.00%
ii) Overseas			-	0.00%		-	0.00%	0.00%
b) Individuals								
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh			-	0.00%		-	0.00%	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh			-	0.00%		-	0.00%	0.00%
c) Others (specify)								
Non Resident Indians			-	0.00%		-	0.00%	0.00%
Overseas Corporate Bodies			-	0.00%		-	0.00%	0.00%
Foreign Nationals			-	0.00%		-	0.00%	0.00%
Clearing Members			-	0.00%		-	0.00%	0.00%
Trusts			-	0.00%		-	0.00%	0.00%
Foreign Bodies - DR			-	0.00%		-	0.00%	0.00%
Sub-total (B)(2):-	-	-	-	0.00%	-	-	-	0.00%
Total Public (B)	-	8,735,783	8,735,783	99.9999%	-	10,757,878	10,757,878	99.9999%
C. Shares held by Custodian for GDRs & ADRs								
				0.00%				0.00%
Grand Total (A+B+C)	-	8,735,789	8,735,789	100.00%	-	10,757,889	10,757,889	100.00%

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Hon'ble Governor of Uttarakhand	8,735,783	99.99993%		10,757,878	99.99990%		23.15%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year	1/04/2014		8,735,783	99.99993%	8,735,783	81.20351%
	Changes during the year	14/10/2014	Allot	2,022,095	23.14725%	10,757,878	99.99990%
	At the end of the year	31/03/2015		10,757,878	123.14718%	10,757,878	99.99990%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Hon'ble Governor of Uttarakhand						
	At the beginning of the year	1/04/2014		8,735,783	99.9999%	8,735,783	81.2035%
	Changes during the year	14/10/2014	Allot	2,022,095	23.1473%	10,757,878	99.9999%
	At the end of the year	31/03/2015		10,757,878	123.1472%	10,757,878	99.9999%

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. S. Ramaswamy						
	At the beginning of the year	1/04/2014		1	0.00001%	1	0.00001%
	Changes during the year				0.00000%		0.00000%
	At the end of the year	31/03/2015		1	0.00001%	1	0.00001%
2	Dr. Umakant Panwar						
	At the beginning of the year	1/04/2014		1	0.00001%	1	0.00001%
	Changes during the year				0.00000%		0.00000%
	At the end of the year	31/03/2015		1	0.00001%	1	0.00001%
3	Mr. M.C. Joshi						
	At the beginning of the year	1/04/2014		-	0.00000%	-	0.00000%
	Changes during the year		Allot	1	0.00001%	1	0.00001%
	At the end of the year	31/03/2015		1	0.00001%	1	0.00001%

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	12,323.43	96,960.34	-	109,283.77
ii) Interest due but not paid	-	282.28	-	282.28
iii) Interest accrued but not due	-	14,585.25	-	14,585.25
Total (i+ii+iii)	26,908.68	97,242.62	-	124,151.30
Change in indebtedness during the financial year				
* Addition	12,026.94	1,126.38	-	13,153.32
* Reduction	(1,958.04)	(8,622.25)	-	(10,580.26)
Net Change	10,068.93	(7,495.87)	-	2,573.06
Indebtedness at the end of the financial year				
i) Principal Amount	22,392.36	89,464.47	-	111,856.83
ii) Interest due but not paid	-	220.32	-	220.32
iii) Interest accrued but not due	-	16,528.80	-	16,528.80
Total (i+ii+iii)	22,392.36	89,684.79	-	112,077.15

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs/Lac)
		Name	Designation	
		G. P. Patel *	Sandeep Singhal	
		Managing Director	Directot (Project)	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,908,168	1,937,551	3,845,719
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	1,908,168	1,937,551	3,845,719
	Ceiling as per the Act			

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
		J. L. Bajaj	S.C. Sen	C. M. Vasudev	
1	Independent Directors				
	Fee for attending board committee meetings	105,000	150,000	60,000	315,000
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)	105,000	150,000	60,000	315,000
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	105,000	150,000	60,000	315,000
	Total Managerial Remuneration				4,160,719
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		CEO	CFO	CS	
			C. P. Madan	Arun Sabharwal	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961*		1,780,158	2,292,229	4,072,387
	(b) Value of perquisites u/s 17(2) Income-		-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-	-	-
2	Stock Option		-	-	-
3	Sweat Equity		-	-	-
4	Commission		-	-	-
	- as % of profit		-	-	-
	- others, specify		-	-	-
5	Others, please specify		-	-	-
	Total		1,780,158	2,292,229	4,072,387

*including arrears

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority (RD / NGLT/ COURT)	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

**Annexure forming part of report of Directors' to shareholders
FORM AOC-3**

(Pursuant to first proviso to sub-section (1) of section 136 of the Act and Rule 10 of Companies (Accounts) Rules, 2014)

Statement containing salient features of Balance Sheet and Profit and Loss Account

Form of Abridged Financial Statements

Name of the Company **UJVN Limited**

Abridged Balance Sheet as at 31st March 2015

(Rupees in crores)

Sr. No.	Particulars	Figures at the end of	
		Current Reporting Period (31/03/15)	Previous Reporting Period (31/03/14)
I.	EQUITY AND LIABILITIES		
(1)	Shareholders' funds		
	(a) Paid-up Share Capital		
	(i) Equity	1075.79	873.58
	(ii) Preference	Nil	Nil
	(b) Reserves and surplus		
	(i) Capital Reserves	479.15	470.76
	(including Revaluation reserve, if any)	Nil	Nil
	(ii) Revenue Reserves	Nil	Nil
	(iii) Surplus	259.48	255.64
	(c) Money received against share warrants	Nil	Nil
(2)	Share application money pending allotment	8.10	202.21
(3)	Non-current liabilities		
	(a) Long-term borrowings	1016.42	986.28
	(b) Deferred tax liabilities (Net)	12.71	11.55
	(c) Other Long-term liabilities	489.42	471.20
	(d) Long-term provisions	27.87	34.15
(4)	Current liabilities		
	(a) Short-term borrowings	Nil	Nil
	(b) Trade Payables	Nil	Nil
	(c) Other current liabilities	677.68	621.21
	(d) Short-term provisions	32.31	62.92
	Total of (1) to (4)	4078.93	3989.50

II.	ASSETS		
(5)	Non-current assets		
	(a) Fixed assets		
	(i) Tangible assets(originalcostlessDepreciation)	1957.81	1879.21
	(ii) Intangible assets(originalcostlessDepreciation/amortisation)	Nil	Nil
	(iii) Capitalwork-in-progress	756.87	732.17
	(iv) Intangible assets under development	Nil	Nil
	(b)Non-currentinvestments	Nil	Nil
	(c)Deferredtaxassets(net)	Nil	Nil
	(d)Long-termloans andadvances	121.59	115.53
	(e)Other Non-CurrentAssets	54.03	28.02
(6)	Current assets		
	(a) Currentinvestments	Nil	Nil
	(b) Inventories	45.63	49.87
	(c) Trade Receivables	707.11	799.83
	(d) cash andcashequivalents	411.06	328.72
	(e) short-termloans andadvances	23.31	44.20
	(f) Other current assets	1.52	11.95
	Totalof(5)to(6)	4078.93	3989.50
	Note:	CompleteBalanceSheet,StatementofProfitandLoss,other statementsandnotestheretopreparedasper therequirementsof ScheduleIIIto theActareavailableattheCompany'swebsiteat linkwww.ujvnl.com	

Abridged Profit and Loss Account for the year ended on 31st March 2015

(Rupees in crores)

Sr.No	Particulars	Figures for the current reporting period (31/03/15)	Figures for the previous reporting period (31/03/14)
I	Income		
	Revenue from Operations (details to be given as per*)	446.16	374.39
II	Other Income	47.04	23.13
III	Total Income (I+II)	493.20	397.52
IV	Expenditure		
(a)	Cost of materials Consumed	1.96	2.54
(b)	Purchase of stock-in-Trade	Nil	Nil
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	Nil	Nil
(d)	Employee benefit expense	165.65	158.53
(e)	Finance costs	113.59	111.47
(f)	Depreciation and amortization expenses	78.80	72.60
(g)	Other expenses	108.08	110.80
	Total Expenditure (a to g)	468.08	455.94
V	Profit before exceptional and extraordinary items and tax (III-IV)	24.19	104.92
VI	Exceptional items	Nil	Nil
VII	Profit before extraordinary items and tax (V-VI)	24.19	104.92
VIII	Extraordinary items	(18.49)	(91.59)
IX	Profit/(loss) before tax (VII-VIII)	5.70	13.33
X	1. Tax expense	0.11	0.12
	2. Deferred tax	1.16	0.63
XI	Profit/(Loss) after tax for the period from continuing operations (IX-X)	4.43	12.58
XII	Profit/(loss) from discontinued operations	Nil	Nil
XIII	Tax expenses of discontinued operations	Nil	Nil
XIV	Profit/(loss) from discontinued operations (after tax) (XII-XIII)	Nil	Nil
XV	Profit/(Loss) for the year (XI+XIV)	4.43	12.58
XVI	Earnings per equity share:		
	(a) Basic	4.12	14.40
	(b) Diluted	4.09	11.69

***Details of Revenue from Operations:**

a) In respect of a company other than a finance company, revenue from operations shall be disclosed as under:

(Rupees in crores)

Sr.No	Particulars	Figures for the current reporting period(31/03/15)	Figures for the previous reporting period(31/03/14)
I	Sale of products manufactured	446.16	374.39
II	Sale of goods traded	Nil	Nil
III	Revenue from services provided	Nil	Nil
IV	Other Operational Revenue	Nil	Nil

b) In respect of a finance company, revenue from operations shall be disclosed as under:

- (a) Revenue from interest; and
- (b) Revenue from Other financial services

Abridged Cash Flow Statement

(Rupees in crores)

Sr. No	Particulars	Figures for the current reporting period(31/03/15)	Figures for the previous reporting period(31/03/14)
1	Cash flows from Operating activities	316.09	87.87
2	Cash flows from Investing activities	(163.83)	(252.88)
3	Cash flows from Financing activities	(69.92)	154.63
4	Net increase/(decrease) in cash and cash Equivalents	82.34	(10.39)
5	Cash and cash equivalents At the beginning of period	328.72	339.11
6	Cash and cash equivalents At the end of period	411.06	328.72

NOTES TO THE ABRIDGED BALANCE SHEET AND THE ABRIDGED PROFIT AND LOSS ACCOUNT

1. Opening Balances as on 9/11/2001

The company was incorporated on 12/2/01 by Uttarakhand Government for managing and undertaking hydropower projects in the State of Uttarakhand. Central Government vide its order dated 5/11/01 transferred all hydro power plants located in the State of Uttarakhand to Uttarakhand Jal Vidyut Nigam. The company took the financial & administrative control of the plants immediately with effect from 9-11-01. In absence of any final transfer scheme, Nigam had derived its opening balances and carried the same in its Balance Sheet up to FY 2006-07 on the basis of information available, to complete its accounts. The differences, if any between provisional opening balances so incorporated and final opening balances as per final scheme of transfer were to be accounted for in the year the final transfer scheme is approved by the Government. However, in case of Small Hydro Divisions, actual balances as appearing in Books of Account of the units transferred to UJVNL have been considered.

Since after the lapse of considerable period of time, transfer Scheme has not been finalized and provisional opening balances with no details/ records appearing in the books were being carried forward and the following line of action was decided by the management:-

(i) Where ever the figures of the balances as on 9.11.01 have been confirmed with the Books of account of the various divisions such confirmed opening balances be substituted in place of the existing provisional opening balances and difference between the assets and liabilities emerging there from be transferred to "Capital Reserve Account".

(ii) Final Transfer Scheme for transfer of balances of assets & liabilities has not yet been finalized and differences if any between opening balances so incorporated and final opening balances as per final Scheme of Transfer will be accounted for in the year the Final Transfer Scheme is approved by the Government.

The details of the regrouped / adjusted provisional opening balances are as follows:

Particulars	Value	
Fixed Assets & CWIP		
Gross Fixed Assets (LHP & HO)	6,29,04,37,181	
Gross Fixed Assets (SHP)	52,81,99,100	
Depreciation Reserve Fund	(-)-4,73,11,30,791	
Net Fixed Assets (1.1 +1.2-1.3)		2,08,75,05,490
Capital work in progress		1,96,24,66,379
Incidental Expenditure		4,31,50,855
Current Assets		
Stock Stores & Spares	13,24,09,158	
Sundry Debtors	55,56,91,110	
Cash incl. PI&TI	7,07,302	
Bank Balances	2,73,49,971	

Loan & Advances	7,23,80,896	
Total Current Assets	78,85,38,437	
Less:		
Current Liabilities	13,90,17,533	
Deposit for Electrification	3,70,426	
Security Deposit from Consumers	33,51,430	
Consumer Contribution grant	1,76,078	
Total Current Liabilities	14,29,15,467	
Net Current Assets (2-3)		64,56,22,970
Misc. Exp. (Survey & Investigation)		97,67,951
Total Assets		4,74,85,13,645

Liabilities		
Capital Reserve (subsidy)		77,15,18,648
Reconstruction Reserves (Diff. of Assets – Liabilities including Capital Reserves)		3,48,86,90,697
Secured Loan from LIC	40,31,84,800	
Overdue principal (LIC)	3,46,19,500	43,78,04,300
State Govt. Loan		5,05,00,000
Total Liabilities		4,74,85,13,645

2. Contingent Liabilities

Sl.No.	Particulars	2014-15	2013-14
1.	Claims lodged by contractors against Deptt. of Irrigation for MB-I project not acknowledged by the Nigam.	₹4.41Crore	₹4.41Crore
2.	Claim lodged and pending at arbitration and different Courts	₹ 461.86 Crore	₹ 343.40 Crore
3.	Income Tax Liability (Excluding Interest u/s 220(2) of IT Act)	₹ 69.66 Crore	₹ 105.83 Crore

3. Commitment Charges

Sl. No.	Particulars	2014-15	2013-14
1	Estimated value of contracts remaining to be executed on Capital Account and not provided for	₹. 841.71 Crore	₹. 602.85 Crore

4. The balances of suppliers, Contractors, Government Departments etc under the Current Assets, Loans and Advances and Current Liabilities are subject to confirmation and reconciliation.
5. Un-secured Loans include ₹. 43.78 crores being 10% of the LIC loan of ₹. 437.80 crores taken by erstwhile UPSEB and transferred to Uttar Pradesh Jal VidyutNigan Ltd.(UPJVNL) by the Govt. of Uttar Pradesh vide its notification dated 25/1/2001 and the same has been considered provisionally in accordance to the GOI order dated 5.11.2001. Subsequently, Central Government vide its order No. SO 1228 dated 2.09.2005 has allocated the part liability of LIC Loan of ₹. 352.59 Cr taken for MB-II HEP by the erstwhile UPSEB to Govt. of Uttarakhand (GOU).

Since such allocation of the above referred loan is to the state of Uttarakhand and not to the UJVNL, the effective amount of ₹. 308.81 crore (₹. 352.59 crore - ₹. 43.78 crore) and provisional interest of ₹.879.83 crore thereon have not been accounted for in the books of account. This has also been communicated to Life Insurance Corporation vide letter No. 7714/UJVNL/LIC Loan dated 12-12-2013, letter No. 5797/UJVNL/MD/LIC Loan dated 13-06-2014, letter No. 8757/UJVNL/MD/LIC dated 14-10-2014 and letter No. 152/UJVNL/01/MD/LIC dated 27-01-2015 and Govt. of Uttarkhand vide Letter No.4624/UJVNL/PN/SHASHAN-6/LIC LOAN dated 05-05-2014 that LIC loan liability not pertain to the Nigam.

6. Interest @ 11% p.a. provided on State Government Loan provisionally acquired from Uttar Pradesh Jal VidyutNigan Ltd. (UPJVNL).
7. Interest has been provided on opening balances of Employees GPF Trust Liability as certified by GPF trust-UJVNL.
8. During the year 3 Small Hydro Projects (SHPs) were handed over to Uttarakhand Renewable Energy Development Agency (UREDA) as per the directives of Govt. of Uttarakhand and approval of the board of the Nigam in its 66th board meeting held on 12.03.2013 vide agenda item no. 66.35. An amount of ₹.9,00,26,638 (Nine crores twenty six thousand six hundred thirty eight) is recoverable from UREDA on account of said transfer which represents the value of assets in excess to the corresponding liabilities of SHPs transferred to UREDA.

The SHP wise detail of assets and liabilities transferred during the year to UREDA is as hereunder:

(Rs. in Lacs)

Name of Unit	Date of Transfer	WDV of Fixed Assets	Stock	Total Assets (A)	Total Liabilities (B)	Recoverable from UREDA (A-B)
Chamoli	18.10.14	1.85	0.69	2.54	-	2.54
Jumma	17.10.14	751.84	27.80	779.64	-	779.64
Tapowan	17.10.14	116.86	1.23	118.09	-	118.09
Total		870.55	29.72	900.27	-	900.27

18 Small Hydro Projects (SHPs) and 3 distribution lines were also handed over to Uttarakhand Renewable Energy Development Agency (UREDA) in FY 2013-14 and an amount of ₹.20,65,87,118 (Twenty crores sixtyfive lakhs eighty seven thousand one hundred eighteen) is recoverable from UREDA in this regard. The total amount recoverable from UREDA on account of aforesaid transfer as on 31.03.2015 is ₹. 29,66,13,756 (Twenty nine crores sixtysix lakhs thirteen thousand seven hundred fifty six).

9. Extra Ordinary Items includes:

- 9.1 Loss of Assets of ₹. 83.12 lakhs on account of damages due to flood occurred on 31.08.2014 in Sharda Power House, Lohiahead. An amount of ₹.15.00 lakhs received during the year as an insurance claim against the said loss is also credited to the said account and the remaining insurance claims against these losses shall be recognized as income in the year of receipt of the same.
- 9.2 Expenditure incurred on SOBLA project of ₹. 1635.02 lakhs has been written off on abandoning of the project as per the directives of board of directors vide agenda item no. 72.25 of the board meeting held on 26.09.2014.
- 9.3 Expenditure incurred on Gangori project of ₹. 164.63 lakhs has been written off as per the directives of board of directors to abandon the project vide agenda item no. 70.35 of the board meeting held on 26.02.2014.
- 9.4 An amount of ₹. 19.05 lakhs received as an insurance claim against loss occurred in tiloth power house on 03.08.2012 is also credited to the said account.
10. Borrowing cost capitalized during the year under Capital work in Progress amounts to ₹. 25,37,58,163/- (previous year ₹. 9,09,73,218/-).
11. As per letter no. 03/I(2)/2010-04(8)/52/2008 of Additional Secretary, Govt of Uttarakhand dated 03.01.2011, it was informed that in the meeting of National Ganga Basin Authority held on 01.11.2010, Govt. of India (GOI) has decided to stop the development work of Pala Maneri Project of the Nigam. Further, in the said letter, it was also directed to discontinue the construction work of the said project and submit the claim of total expenditure incurred on the project to the GOI. The assets and liabilities of the Nigam shown in the financial statements as at 31.03.2015 includes ₹. 110.55crore and ₹. 1.19crore respectively on account of said project.

12. Dues to in Micro, Small and Medium Enterprises

The Company has not received any intimation from the suppliers regarding status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures regarding the following have not been provided:

- i. Principal amount remaining unpaid at the end of the year to Micro, Small & Medium enterprise;
- ii. Interest accrued & remaining unpaid at the end of the year to Micro, Small & Medium enterprise for the current year;
- iii. Amount of interest paid during the year along with the payment of principal amount made beyond 15 days or agreed time from the date of delivery / rendering of service;
- iv. Amount of interest carried forward from last accounting year with interest for the current year on such interest.

13. Names and Relationships of the Related Parties:

- i. Subsidiary Companies: Nil
- ii. Associate Concerns / Trusts / Companies / Joint Venture: Nil
- iii. Key Management Personnel:
 - a. Mr. G. P. Patel, Managing Director
 - b. Mr. Sandeep Singhal, Director (Projects)
 - c. Mr. Arun Sabharwal, Company Secretary
 - d. Mr. C. P. Madan, CFO
- iv. Relative of Key Management Personnel: Nil

Transactions with the related parties during the year

Nature of Transaction	Related Parties	Amount
Remuneration	Key Management Personnel	₹.79.18 lakhs

14. Information required as per para-3 and 4 of Part-II of Schedule-VI

Sl. No.	Particulars	2014-15 Current Year		2013-14 Previous Year	
1	Licensed Capacity	N.A		N.A	
2	Installed Capacity (In MW)	1284.85		1284.85	
3	Actual Generation (In MU)	4348.95 MU		4411.83 MU	
4	Sales				
	UPCL & HPSEB (Net of AAD and Royalty & Cess)	4265.52 MU	₹. 444.36 Crores	4339.10 MU	₹.372.77 Crores
	Others	₹. 1.80 Crores		₹. 1.62 Crores	
	Energy Sale pertains to previous years	Nil		₹. 163.69 Crores	
5	Directors Remuneration MD & Whole Time Directors'	₹. 38.46 Lacs		₹. 36.16 Lacs	
6	CIF value of Imports	Nil		Nil	
7	Expenditure in Foreign Currency	Nil		₹. 0.95 Lacs	
8	Earnings in Foreign Currency	Nil		Nil	

15. Period and amount of defaults on the balance sheet date in repayment of loans and interest is as hereunder:

(Rupees in crores)

Particulars	Figures for the current reporting period (31/03/15)		Figures for the previous reporting period (31/03/14)	
	Period of default	Amount	Period of default	Amount
GOU Loan- NABARD Funded	0 - 36 months	16.3347	0 - 12 months	10.7627

16. Details of cash and cash equivalents is as follows:

(Rupees in crores)

Particulars	Figures for the current reporting period (31/03/15)	Figures for the previous reporting period (31/03/14)
(a) Cash on hand	0.06	0.04
(b) Balances with banks - in current accounts	189.86	173.56
(c) Cheques in Transit	0.22	0.77
(d) Balances with banks - in deposits with maturity of more than three months but less than upto 12 months	220.92	154.35
Total	411.06	328.72

ANNUAL REPORT ON CSR ACTIVITIES

1. The CSR Policy of the Company has been approved by the Board of Directors in their 75th meeting held on 27th June, 2015. The same is available on the Company's website www.ujvnl.com.
2. The Composition of the CSR Committee is as hereunder:
 - Sh. J.L. Bajaj, Independent Director
 - Sh. C.M. Vasudev, Independent Director
 - Sh. S.C. Sen, Independent Director
 - Sh. S.N. Verma, Managing Director
 - Sh. Sandeep Singhal, Director (Projects)
 - Sh. Arun Sabharwal, Secretary CSR Committee
3. Average net profit of the company for last three financial years is Rs. 11.38 Crores.
4. Prescribed CSR Expenditure (two percent, of the amount as in item 3 above)Rs. 0.23 Crores.
5. Details of CSR spent during the financial year.

As mentioned above, the CSR Policy of the Company has been approved by the Board of Directors in their 75th meeting held on 27th June, 2015 therefore no expense incurred in FY 2014-15.

(a) Total amount to be spent for the financial year: Nil

(b) Amount unspent, if any: Nil

(c) Manner in which the amount spent during the financial year is detailed below.

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.NO	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub Heads; (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1							
2	NIL						
3							
	TOTAL						