

balancing the grid and in meeting the peak power demand. Hydropower is gaining a lot of traction among the policy makers and there is now a positive vibe about the sector. This gives your Company many opportunities to grow and thus retain its position as the top organization for hydropower development for a long time to come.

Your company has continued to perform wonderfully well, driven by focused execution and financial prudence.

### Operating Performance Overview:

I am glad to share with you that amidst all the difficulties faced due to the pandemic, the total cumulative generation of all the power stations of your company was 24855 MUs during FY 2021-22, which is our second highest ever annual generation despite the additional environment flow release from our power stations. There has been marked improvement in PAF of our plants and we have recorded our highest annual overall PAF of 88.19% during FY 2021-22 since the introduction of this mechanism. Out of 20 hydro power stations of your company, 16 power stations have achieved their respective NAPAF (Normative PAF).

### Financial Performance Overview:

Your company has also achieved praiseworthy financial results during the year. Your company earned highest ever net profit (after tax) of ₹ 3,537.71 crore on standalone basis in the financial year 2021-22 compared to ₹ 3,245.06 crore in the previous financial year. The total income was ₹ 9,379.98 crore during the FY 2021-22. Total Comprehensive Income rose to ₹ 3,550.47 crore during the financial year 2021-22 from ₹ 3,252.26 crore in the previous financial year. Revenue from Operations during financial year 2021-22 was ₹ 8,353.80 crore.

In Financial year 2021-22, the Board of Directors has recommended a final dividend of ₹ 0.50 per equity share for the financial year 2021-22 amounting to ₹ 502.25 crore. The above dividend is in addition to the interim dividend of ₹ 1.31 per equity share amounting to ₹ 1,315.90 crore paid in March, 2022. Accordingly, total dividend for the FY 2021-22 is ₹ 1.81 per equity share amounting to ₹ 1,818.15 crore. This is the 13<sup>th</sup> consecutive year that the company has paid dividend since being listed.

### RIDING THE TECHNOLOGY WAVE

The world has seen remarkable technological changes in the last decade and many of these cutting edge

technologies are also being adopted by hydropower industry. Some of these were exhibited and discussed at the 27<sup>th</sup> Congress and 90<sup>th</sup> Annual Meeting of International Commission on Large Dams (ICOLD). This decade is going to see more technological breakthroughs and as an organization we must adopt them to become proficient in our working. Going forward, technology will help us respond to the ever-changing business scenarios, reduce manual intervention and thus remain ahead of the competitors.

### HIGHLIGHTS OF THE YEAR

Your company is the largest hydro power company in India. In the past year, NHPC crossed several milestones in its pursuit of expanding its presence and achieving its targets.

### Major highlights of your Company during the year are:

1. NHPC has signed Promoters' Agreement with Green Energy Development Corporation of Odisha Ltd. (GEDCOL) for "Development of 500 MW Floating Solar Projects on different water bodies in Odisha". Equity participation in the Joint Venture between NHPC and GEDCOL is proposed in the proportion of 74:26. On completion, this project is going to be one of the largest Floating Solar projects in the world.
2. Hon'ble Prime Minister Shri Narendra Modi laid the foundation stones of 850 MW Ratle Hydroelectric Power Project (being implemented through Ratle Hydroelectric Power Corporation Limited, subsidiary of NHPC) and 540 MW Kwar Hydroelectric Project (being implemented through Chenab Valley Power Projects Private Limited, subsidiary of NHPC) in UT of Jammu and Kashmir.
3. NHPC signed the Letter of Intent for "Development of 10,000 MW Renewable Energy Parks/ Projects in Rajasthan with Rajasthan Renewable Energy Corporation Limited & Rajasthan Urja Vikas Nigam Ltd."
4. NHPC bagged 1000 MW capacity Solar Power Project at a Viability Gap Funding (VGF) of ₹ 44.90 lakh/MW under CPSU Scheme, Phase-II, Tranche-III in the e-Reverse auction conducted by Indian Renewable Energy Development Agency Limited (IREDA).
5. The Government of Andhra Pradesh has consented to allot seven pumped storage projects with

installed capacity of 6600 MW to be developed through Joint Venture between NHPC and the State Government.

6. NHPC took over the 1856 MW Sawalkot HE Project from JKSPDC Ltd.
7. NHPC has signed an agreement with HDFC Bank for monetization of future cash flows by way of securitization of Return on Equity of its Chamera-I Power Station, Himachal Pradesh. The monetization deal has fetched present value of ₹ 1,016.39 crore against the future cash flow of 10 years of Chamera-I Power Station.
8. NHPC has signed MOU with NIT Durgapur for availing services of NIT Durgapur for undertaking R&D activities in the field of Science, Engineering and Technology.
9. The River Diversion works of 1000 MW Pakal Dul HE Project, 624 MW Kiru HE Project and 120 MW Rangit IV HE Project were successfully completed.
10. NHPC is ranked 25<sup>th</sup> in the "Top 100 Green Utilities" published by Energy Intelligence, an Independent US consulting firm specializing in energy market.
11. District Administration, Faridabad, Haryana, awarded Certificate of Appreciation to NHPC for outstanding work done in the field of 'Sanitization'.

## **CORPORATE SOCIAL RESPONSIBILITY AND GOOD GOVERNANCE**

Corporate Social Responsibility & Sustainability has been an integral part of NHPC's business philosophy. NHPC conducts its business in a socially responsible way by maintaining high level of organizational integrity and ethical behaviour, in conformity with:

- i. expected standards of transparency in reporting and disclosing the performance in all spheres of its activities,
- ii. demonstration of concern for social welfare,
- iii. adoption of best management practices, and
- iv. effective operational methods to win the trust and confidence of all stakeholders, etc.

Our actions are governed by our values and principles which are reinforced at all levels within the Company. We are committed to doing things the right way, which include taking business decisions and acting in ways that are ethical and compliant to applicable legislations.

Your Company is fully conscious and sensitive of its role as a corporate citizen and reaches out to the marginalized sections of the society through a well-structured policy on Corporate Social Responsibility & Sustainability in line with the provisions of the Companies Act, 2013. NHPC has implemented a number of CSR initiatives for the community living in and around its projects/ power stations/ units in the areas of Education, Health, Sanitation, Rural Development, Skill Development, Environmental sustainability, Women Empowerment, Promotion of sports, arts & culture etc. which have led to significant socio-economic development.

Your company, in the pandemic affected year, took numerous initiatives from the very beginning to mitigate its impacts on health of general public at large. It also extended every possible support to the State/Central Govt. and the community living around its establishments across the Country. Many vaccination camps were organized for the residents of local villages located in the remote areas of the project/power stations to ensure that the vaccines reaches to every eligible person. Over the passage of time, the footprints of your company's CSR initiative have reached hitherto uncovered areas. The expenditure on CSR & SD activities during the year 2021-22 was ₹ 105.29 crore which includes contribution of ₹ 30 crore towards PM CARES Fund.

Your management recognizes the enormous responsibility, importance and necessity for adhering to Corporate Governance norms and practices and accordingly all the operations and processes of the Company are undertaken. Your Company always makes sincere efforts to ensure compliance with the Corporate Governance requirements prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Guidelines on Corporate Governance for CPSEs issued by Department of Public Enterprises (DPE), Government of India, to the extent compliances are within ambit of the Company. During the year 2021-22, your Company's compliance with 'DPE Guidelines on Corporate Governance' has been rated as "Excellent" as per 'Corporate Governance Grading System' prescribed by DPE

## **AWARDS AND RECOGNITIONS**

The excellent works being done by your Company has been appreciated at various levels. Your company received the following honours:-

1. Gold Shield for 'Excellence in Financial Reporting' awarded by the Institute of Chartered Accountants

of India (ICAI) for FY 2020-21 in the category "Infrastructure & Construction Sector-Turnover equal to or more than ₹ 500 crore". The Company also won the Certificate of Merit for the 'Best Presented Annual Report' from the South Asian Federation of Accountants (SAFA) in the Category "Public Sector Entities".

2. NHPC's Rajbhasha journal 'Rajbhasha Jyoti' was awarded 'First Prize' under 'Rajbhasha Kirti Puruskar (Griha Patrika)' in Region 'A' by Ministry of Home Affairs, Govt. of India for the year 2019-20. NHPC has also been awarded Second Prize for commendable work in implementation of Rajbhasha under Rajbhasha Kirti Puruskar scheme.
3. NHPC was conferred with "PSU developer of the year" Award in Gold Category by EQ International during EQ's PV Invest Tech India Conference & Awards at New Delhi.
4. NHPC was declared 'Winner' in category of 'Best Implementation of Dam Rehabilitation Project' at the Water Digest Water Awards, 2021- 2022.
5. NHPC has been conferred with 'AEOHD Occupational Health Excellence Award – Public Sector' in recognition of its exemplary contribution in the field of Environmental & Occupational Health (ENOH) by AEOHD (Association of Environmental & Occupational Health, Delhi).
6. NHPC's 510 MW Teesta-V Power Station has been conferred with the prestigious Blue Planet Prize by International Hydropower Association (IHA), a London based non-profit membership association operating in 120 countries.

### CLOSING THOUGHTS

The past couple of years have been very tough on the entire humanity, still your Company performed exceptionally well as all of its members worked as a team. During this turbulent period we have improved our project execution capabilities while strengthening operation and maintenance of our power stations. This has helped us to achieve highest ever CAPEX as well

as highest ever PAF. The exemplary and par excellence efforts are getting reflected in the accelerated business accumulation your Company has achieved. The under construction project capacity of your Company is at a record high. Many a new avenues are opening up and rest assured we will excel in them all. The times ahead are full of challenges and opportunities. Team NHPC with your support is ready to conquer new peaks.

I would like to place on record appreciation for the contribution and valuable guidance given by my fellow Board Members.

I wish to convey my deep gratitude to Government of India, particularly the Ministry of Power as well as other Central Government Ministries and Departments and various State Governments for their valuable guidance and overwhelming support from time to time.

I would like to express my sincere thanks to our valued stakeholders including bankers, investors, shareholders, customers, consultants, contractors, vendors, etc. for their belief and trust. This motivates us to excel in all our pursuits and constantly create value for shareholders as well as for the nation. We aim and aspire to earn your continued trust every day.

Finally, my sincere appreciation to our employees of NHPC for the hard work and commitment they have demonstrated throughout another successful year.

NHPC has always valued strengthening the core competencies of the organization, so that it can continue to excel and surpass the expectations of all stakeholders. I reaffirm that we will keep on improving and create new bench marks of excellence.

Warm regards,

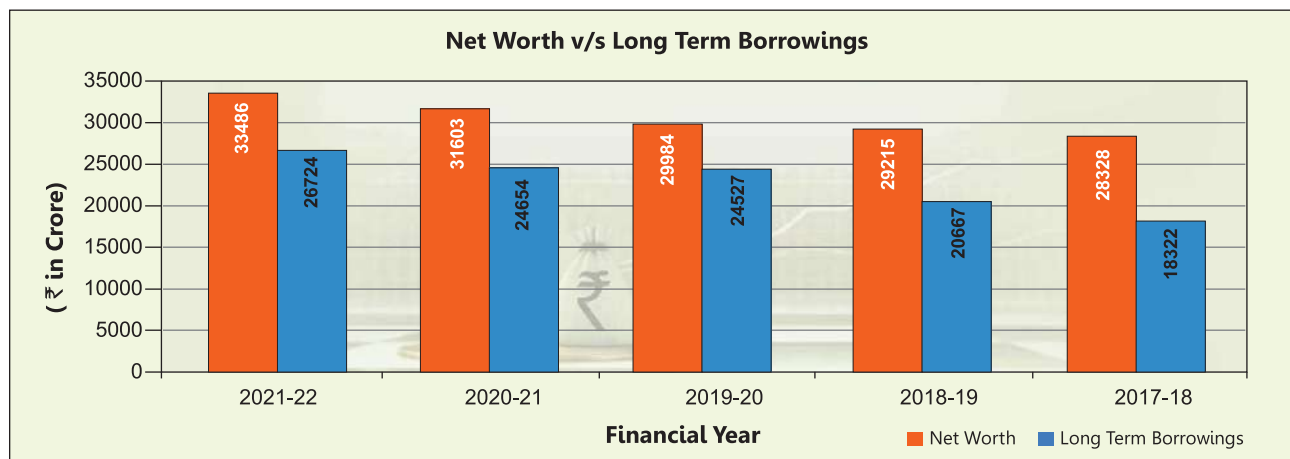


**(Abhay Kumar Singh)**

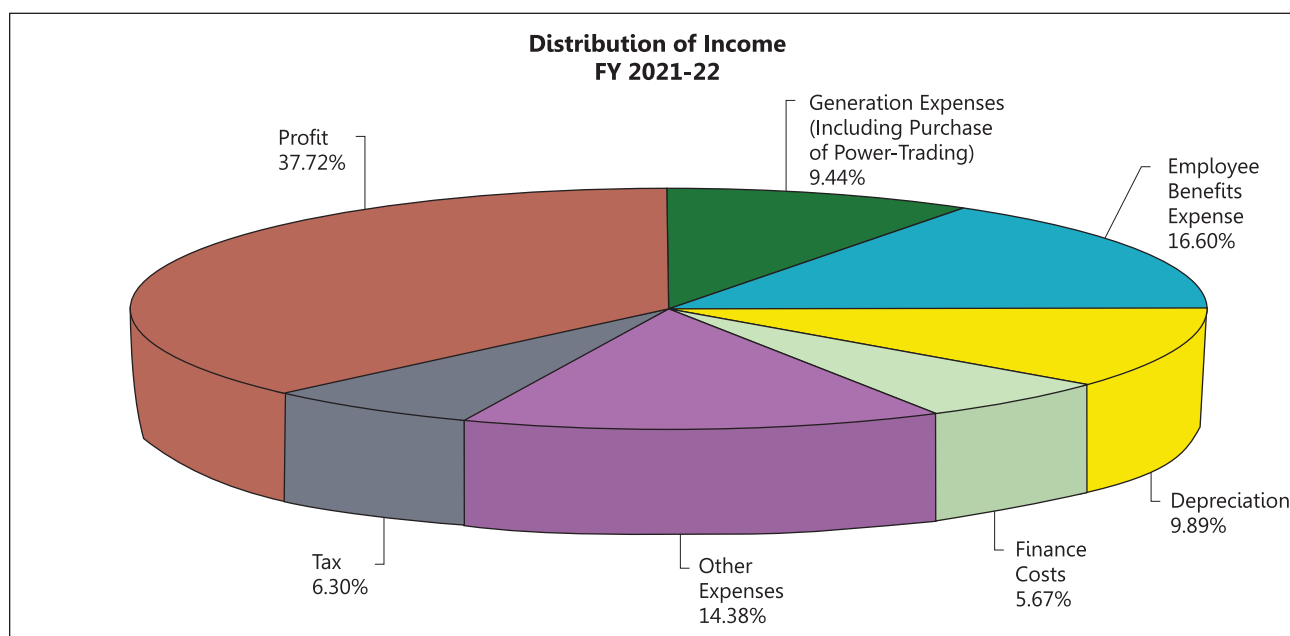
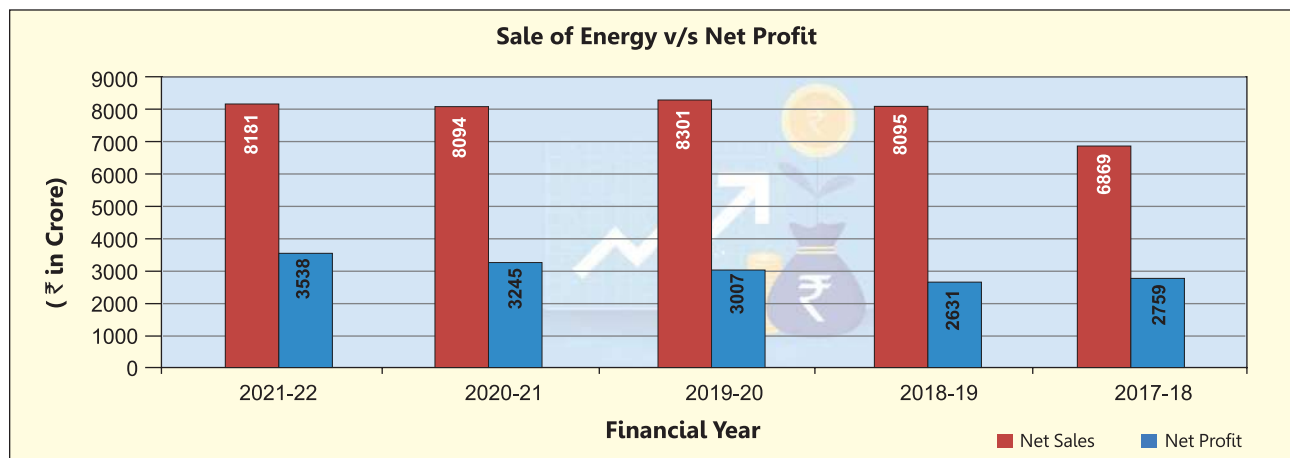
Chairman and Managing Director  
DIN 08646003

Date: July 25, 2022  
Place: Faridabad

## NHPC's PERFORMANCE



# Long term borrowings includes current maturities thereof, Lease obligations including current maturities thereof and payables towards bonds fully serviced by Government of India. Figures for the FY 2017-18 to 2019-20 have been taken from Annual Report of the respective FY.



Note:- Adjustment of MAT Credit passed to beneficiaries amounting to Rs. 1313.27 crore during FY 2021-22 adjusted in Tax Expenses.

## DIRECTORS' PROFILE



### **Shri Abhay Kumar Singh** **Chairman & Managing Director**

DIN: 08646003

**Shri Abhay Kumar Singh** (59 years) is the Chairman and Managing Director of NHPC Ltd. He is also the Chairman of Board of Directors of NHDC Limited and Loktak Downstream Hydroelectric Corporation Limited.

Shri Abhay Kumar Singh, a Civil Engineering Graduate of 1983 batch from Regional Engineering College, Durgapur (now NIT) has 37 years of extensive experience in Hydro Sector. Shri Singh began his professional career as Probationary Executive in NHPC in the year 1985. Driven by a passion to succeed and possessing the requisite talent, Shri Singh steadily rose up the ranks and during this period he was associated with several marquee projects that highlighted NHPC's standing as the premier hydro power developer in the country. He played key role in execution of Projects like Tanakpur, Dhauliganga, Teesta Low Dam Stage-IV, Parbati-II, Parbati-III and Kishanganga. As the head of the Renewable Energy Division, he spearheaded NHPC's efforts in diversification in Solar and wind space.

During his long association with NHPC, Shri Singh has served the organization with notable contributions. Shri Singh is well versed with all the facets of hydro power development and has worked across domains like Project monitoring and planning, Business Development besides his expertise area of Project Construction. He has always put emphasis on adopting new technologies for enhancing the Project execution capabilities of the organization.

Since assuming the charge of Chairman & Managing Director of NHPC, Shri Singh has focused on broadening the business portfolio of NHPC with emphasis on timely completion of projects and reducing time & cost overruns. In this period, NHPC has not only signed MOUs for implementation of Hydropower projects with total installed capacity exceeding 3000 MW but is widening its foot print with 10000 MW plus capacity under consideration for allotment. The organization has seen tremendous growth in its presence in Renewable Energy also, particularly in Solar Sector. Solar Projects in excess of 3000 MW have already been awarded while tendering process for projects with installed capacity of around 1000 MW is going on. He has also stressed on greater persuasion with Discoms for revenue realization, resulting in the highest ever annual revenue collections.

Shri Abhay Kumar Singh has always emphasized on team approach and development of strong teams for achieving the targets of the organization. He is a firm believer in institutionalizing the best practices and implementation of innovative initiatives. Shri Singh possesses excellent blend of technical and people management skills and believes in empowering employee for quick and effective decision making.

Shri Singh is extremely passionate about hydro power development and the key role these projects play in the overall socio economic development of the Project area.



### **Shri Yamuna Kumar Chaubey** **Director (Technical)**

DIN: 08492346

**Shri Yamuna Kumar Chaubey** (59 years) is a graduate in Civil Engineering from IIT, Kharagpur and joined NHPC Limited in 1985 as a Probationary Executive (Civil) at 540 MW Chamara Hydro-Electric Project now Chamara-I Power Station, Himachal Pradesh and continued since then to rise to present level.

Prior to joining the Board of NHPC Limited as Director (Technical) w.e.f. April 1, 2020, Shri Chaubey was Executive Director in NHPC Limited in-charge of Civil Contracts Division and E&M Contract Division at Corporate Office. He is also serving as Chairman on the Board of Bundelkhand Saur Urja