Rakhecha & Co.
Chartered Accountants

4866/1, Harbans Singh Street,
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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MEJA URJA NIGAM PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of M/s Meja Urja Nigam Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of changes in Equity and Statement of Cash Flows for the year then ended on that date, notes to the Standalone Financial Statements including a summary of significant accounting policies and other explanatory information ("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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2019, its loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). 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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board report but does not include the standalone financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report, and the Director's report, which is expected to be made available to us after that date.

Our opinion on the standalone financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, 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.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors and those charged with governance 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, financial performance, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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, the Board of Directors 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 the Board of Directors 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.

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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 control 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.

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.

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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.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 purposes 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 Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   (e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure A**".

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

   In our opinion and to the best of our information and according to the explanations given to us, no remuneration has been paid by the company to its directors during the reporting financial year hence the provisions of section 197 of the Act are not applicable.

   (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, in our opinion and to the best of our information and according to the explanations given to us:

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i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS standalone financial statements – **Refer Note 27 to the standalone financial statements;**

ii. In our opinion and to the best of our information and explanation given to us, the company did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

3. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "**Annexure C**" on the directions and sub-directions issued by the Comptroller and Auditor General of India.

For **RAKHECHA & CO.**
Chartered Accountants
Firm's Registration no. 002990N

ANIL KUMAR
Partner
(Membership No.518544)

Place: New Delhi
The 20th day of May 2019

RAKHECHA & CO. Chartered Accountants New Delhi

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Meja Urja Nigam Private Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting 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 of **MEJA URJA NIGAM PRIVATE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company is 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 respective 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgement, including the

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assessment of the risks of material misstatement of the standalone 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 internal financial controls system over financial reporting of the Company.

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 standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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.

For **RAKHECHA & CO.**
Chartered Accountants
Firm's Registration no. 002990N

RAKHECHA & CO. New Delhi Chartered Accountants

Singhania

ANIL KUMAR
Partner
(Membership No.518544)

Place: New Delhi
The 20th day of May 2019

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Meja Urja Nigam Private Limited of even date)

i. In respect of the Company's fixed assets:

(a) ***Except for the non-recording of identification numbers*** in respect of Furniture & fixtures, Office Equipments and Plant & Machineries etc., the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by an independent firm of Chartered Accountants during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds / registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land which are freehold, are held in the name of the Company as at the balance sheet date. However mutation of the land acquired by the Company is pending in respect of 115.4503 Hectares (previous year 7.7458 Hectare) of Freehold land of value INR 455.86 Lakh (previous year INR 111.62 Lakh).

ii. In respect of it's inventory:

According to the information and explanation given to us, the inventory has been physically verified by an independent firm of Chartered Accountants at reasonable intervals, generally once in a year. No material discrepancies were noticed on physical verification between physical inventory and book records. In our opinion, the procedures of physical verification of inventory followed by the independent firm of Chartered Accountants are reasonable & adequate in relation to the size of the Company and nature of its business.

iii. In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act, 2013:

According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to any companies, firms, limited liabilities partnership or other parties covered in register maintained under Section 189 of the Companies Act, 2013.

In view of the above, the clause 3(iii)(a), 3(iii)(b), 3(iii)(c) of the Order are not applicable.

iv. According to the information and explanations given to us, the Company has not granted any loans or given any guarantee and security covered under section 185 and 186 of the Companies Act, 2013, so this paragraph of the order is not applicable.

v. The Company has not accepted deposits from the public. As such, the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies

RAKHECHA & CO. New Delhi Chartered Accountants

Act, 2013 and the rules framed there under are not applicable to the company, so this paragraph of the Order is not applicable.

vi. The maintenance of prescribed accounts and cost records as specified under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company as commercial production not yet started, so this paragraph of the Order is not applicable.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) Undisputed statutory dues including provident fund, income tax, sales-tax, wealth tax, service tax, custom duty, excise duty, value added tax, Goods and Service Tax (GST), cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as on 31st March 2019 for a period of more than six months from the date they became payable.

(b) The disputed statutory dues aggregating to 1099.55 lakhs that have not been deposited on account of matters pending before appropriate authorities are detailed below:

Nature of the Statute	Nature of Dues	Forum Where the dispute is pending	Period to Which the Amount Relates	Disputed Amount In Lakhs	Amount Deposited in Lakhs
The Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	F.Y. 2012-13	Rs. 125.84	Rs. 70.11
The Income Tax Act, 1961	Income Tax	CIT (Appeal)	F.Y. 2013-14	Rs. 204.89	Rs. 145.95
The Income Tax Act, 1961	Income Tax	CIT (Appeal)	F.Y. 2014-15	Rs. 196.92	Rs. 39.50
The Income Tax Act, 1961	Income Tax	CIT (Appeal)	F.Y. 2015-16	Rs. 488.69	Rs. 488.69
Commercial Tax	Entry Tax	Joint Commissioner	F.Y. 2013-14	Rs. 7.42	Rs. 7.00
Commercial Tax	Penalty	Joint Commissioner	F.Y. 2013-14	Rs. 4.38	-
Commercial Tax	Work Contract Tax	Joint Commissioner	F.Y. 2013-14	Rs. 8.04	-
Commercial Tax	Penalty	Joint Commissioner	F.Y. 2013-14	Rs. 1.35	-
Commercial Tax	Entry Tax	Joint Commissioner	F.Y. 2014-15	Rs. 0.87	-
Commercial Tax	Work Contract Tax	Joint Commissioner	F.Y. 2014-15	Rs. 53.21	-
Commercial Tax	Penalty	Joint Commissioner	F.Y. 2014-15	Rs. 7.92	Rs. 3.00

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks.

RAKHECHA & CO. New Delhi Chartered Accountants

ix. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments). According to the information and explanations given to us, the money raised by the Company by way of term loans, have been applied for the purpose for which they were obtained.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. As per notification n no. GSR 463(E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 is not applicable to the Government Companies. Accordingly, provisions of clause 3 (xi) of the Order are not applicable to the Company.

xii. The provisions of clause 3 (xii) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 w.r.t. transactions with the related parties, where applicable. The Company is a Joint Venture of Central Public Sector Undertakings (CPSUs) controlled by Central Government and state government entity. Pursuant to Paragraph 25 & 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence over, then both the reporting entity and other entities shall be regarded as related parties. The Company has applied the exemption available for government related entities and have made limited disclosures in the standalone financial statements. Details of the transactions with the related parties have been disclosed in Note No 30 of Ind AS standalone financial statements as required by the applicable Indian accounting standards.

xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private allotment or fully or partly convertible debentures during the year. Accordingly, provisions of clause 3 (xiv) of the Order are not applicable to the Company. Company has made allotment of equity shares under Right Issue during the reporting financial year.

xv. In our opinion and according to the information and explanations given to us, during the year 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. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **RAKHECHA & CO.**
Chartered Accountants
Firm's Registration no. 002990N

RAKHECHA & CO. New Delhi Chartered Accountants

Singhania

ANIL KUMAR
Partner
(Membership No.518544)

Place: New Delhi
The 20th day of May 2019

ANNEXURE 'C' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Meja Urja Nigam Private Limited of even date)

Sl. No.	Directions	Action Taken	Impact on standalone financial statement
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	In our opinion and according to the information and explanations given to us, the company has system in place to process all the accounting transactions through IT System. However Accounting Software Package "FINMAT" which is being currently used by the company needs improvement/up-gradation having regards to the size/operations of the company.	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.	According to information and explanations given to us, there is no any restructuring of an existing loan and there are no cases of waiver/write off of debts/loans/interest etc.	Nil
3	Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	According to information and explanations given to us, No fund has been received or receivable for specific schemes from Central/ State Agencies.	Nil

For **RAKHECHA & CO.**
Chartered Accountants
Firm's Registration no. 002990N

ANIL KUMAR
Partner
(Membership No.518544)

Place: New Delhi
The 20th day of May 2019

RAKHECHA & CO. New Delhi Chartered Accountants

MEJA URJA NIGAM PVT. LTD.
Regd. Office: NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U74900DL2008PTC176247

BALANCE SHEET AS AT 31 MARCH 2019

Amt in ` Lakhs

Particulars	Note	As at 31.03.2019	As at 31.03.2018
ASSETS			
Non-current assets			
Property, plant and equipment	2	33,857.59	33,931.14
Capital work in progress	2(a)	9,67,353.92	8,25,912.24
Other intangible assets	2	226.11	236.41
Other non-current assets	3	20,543.09	21,661.56
Total Non-current assets		**10,21,980.71**	**8,81,741.35**
Current Assets			
Inventories	4	4,181.72	1,678.99
Financial assets			
Trade Receivables	5	832.95	129.05
Cash and cash equivalents	6	7,960.34	5,211.77
Other financial assets	7	19.68	2.12
Other current assets	8	3,344.80	1,493.54
Total Current Assets		**16,339.49**	**8,515.47**
Total Assets		**10,38,320.20**	**8,90,256.82**
EQUITY & LIABILITIES			
EQUITY			
Equity Share capital	9	2,51,865.96	2,41,865.96
Other equity	10	16,083.74	5,299.10
Total Equity		**2,67,949.70**	**2,47,165.06**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	11	6,67,429.49	5,44,656.44
Other financial liabilities	12	2,665.97	3,000.88
Total Non-current liabilities		**6,70,095.46**	**5,47,657.32**
Current liabilities			
Financial liabilities			
Borrowings	13	3,032.17	-
Trade payables	14	2,802.49	1,143.17
Other financial liabilities	15	92,458.83	91,708.49
Other current liabilities	16	534.62	452.17
Provisions	17	1,293.44	1,783.71
Total Current liabilities		**1,00,121.55**	**95,087.54**
Regulatory deferral account credit balances	18	**153.49**	**346.90**
TOTAL EQUITY AND LIABILITIES		**10,38,320.20**	**8,90,256.82**
Significant accounting policies	1		

The accompanying notes 1 to 36 form an integral part of these financial statements.

Arun Kumar	Navneet Goel	A.K. Samanta	Subir Chakravorty	S.Roy
Company Secretary	HOF	CEO	Director	Chairman

This is the Balance Sheet referred to in our report of even date.
For Rakhecha & Co
Chartered Accountants
Firm Reg. No. 002990N

(Anil Kumar)
Partner
M No. 518544

Place: New Delhi
Dated : 20 · 05 · 2019

RAKHECHA & CO. New Delhi Chartered Accountants

MEJA URJA NIGAM PVT. LTD.
Regd. Office: NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U74900DL2008PTC176247

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2019

Amount in ` Lakhs

Particulars	Note	For the year ended 31.03.2019	For the year ended 31.03.2018
Revenue			
Other income	19	-	-
Total Revenue			-
Expenses			
Employee benefits expense	20	-	-
Finance costs	21	-	-
Depreciation, amortization and impairment expense	2	-	-
Generation, administration & other expenses	22	11.78	18.87
Total expenses		11.78	18.87
Profit before tax and Rate Regulated Activities (RRA)		(11.78)	(18.87)
Add: Regulatory Income/(Expense)			
Profit before tax		(11.78)	(18.87)
Tax expense			
Current tax			
Current year		41.00	-
Earlier years		162.58	-
Total tax expense		203.58	-
Profit for the year		(215.36)	(18.87)
Other comprehensive income			
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year		(215.36)	(18.87)
Significant accounting policies	1		
Expenditure during construction period (net)	23		
Earnings per equity share (Par value ` 10/- each)	24		
Basic (`) (from operations including regulatory deferral account balances)		(0.01)	-0.00
Basic (`) (from operations excluding regulatory deferral account balances)		(0.01)	-0.00
Diluted (`) (from operations including regulatory deferral account balances)		-0.01	-0.00
Diluted (`) (from operations excluding regulatory deferral account balances)		-0.01	-0.00

The accompanying notes 1 to 36 form an integral part of these financial statements.

For & on behalf of the Board of Directors

Arun Kumar	Navneet Goel	A.K. Samanta	Subir Chakravorty	S.Roy
Company Secretary	HOF	CEO	Director	Chairman

This is the Statement of Profit & Loss referred to in our report of even date.
For Rakhecha & Co
Chartered Accountants
Firm Reg. No. 002990N

(Anil Kumar)
Partner
M No. 518544

RAKHECHA & CO. New Delhi Chartered Accountants

Place: New Delhi
Dated : 20.05.2019

MEJA URJA NIGAM PVT. LTD.
Regd. Office: NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U74900DL2008PTC176247

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

Amount in ` lakhs

	Particulars	31.03.2019	31.03.2018
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Loss as per Statement of profit & Loss	(11.78)	(18.87)
	-Operating Profit/(Loss) before working Capital Change	**(11.78)**	**(18.87)**
	Adjustment for:		
	-Trade Payables	1,659.32	(274.04)
	-Other financial liabilities	2,751.48	15,564.42
	-Other current liabilities	82.45	67.95
	-Provisions	(490.27)	(1,518.37)
	-Inventories	(2,502.73)	(1,678.99)
	-Trade Receivables	(703.90)	(129.05)
	-Other financial assets	(17.56)	(1.89)
	-Other current assets	(732.79)	(3,251.41)
	Cash generated from operations	**34.22**	**8,759.75**
	Income Tax Paid/(Refund)	(203.58)	-
	Net Cash from Operating Activities - A	**(169.36)**	**8,759.75**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	-Deposits with banks	-	25.58
	-Purchase of fixed assets & CWIP	(90,130.31)	(1,01,239.97)
	Adjustment for		
	-Depreciation/Amortization	845.75	793.36
	-Interest cost	50,724.81	38,758.96
	-Re-measurement of vendor Liabilities	696.12	7,435.98
	-Regulatory Income(Expenses)	(193.41)	(661.68)
	Net Cash Flow from Investing Activities - B	**(90,130.31)**	**(1,01,214.39)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	-Proceeds from issue of Share	10,000.00	8,578.00
	-Share Application Money	11,000.00	-
	-Proceeds from Long Term Borrowing	1,22,773.05	1,18,255.83
	-Interest and Finance Charges Paid	(50,724.81)	(38,758.96)
	Net Cash Flow from Financing Activities - C	**93,048.24**	**88,074.87**
	Net increase/Decrease in Bank balances (A+B+C)	2,748.57	(4,379.77)
	Cash and cash equivalent at the beginning of the year(See Note 1 below)	**5,211.77**	**9,591.11**
	Cash and cash equivalent at the end of the year(See Note 1 below)	**7,960.34**	**5,211.34**

Note:

1 Cash & cash equivalent included in the cash flow statement comprise of the following balance sheet amount as per note 6

Cash & Cash Equivalents	**7,960.34**	**5,211.77**
	7,960.34	**5,211.77**

The accompanying notes 1 to 36 form an integral part of these financial statements.

For & on behalf of the Board of Directors

Arun Kumar	Navneet Goel	A.K. Samanta	Subir Chakravorty	S.Roy
Company Secretary	HOF	CEO	Director	Chairman

This is the Statement of Cash Flow referred to in our report of even date.
For Rakhecha & Co
Chartered Accountants
Firm Reg. No. 002990N

(Anil Kumar)
Partner
M No. 518544

Place: New Delhi

RAKHECHA & CO. New Delhi Chartered Accountants

MEJA URJA NIGAM PVT. LTD.
Regd. Office: NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003
CIN: U74900DL2008PTC176247

STATEMENT OF CHANGES IN EQUITY

(A). Equity Share Capital

For the year ended 31 March 2019 Amount in ` lakhs

Balance as at 1 April 2018	Changes in equity share capital during the year	Balance as at 31 March 2019
2,41,865.96	10,000.00	2,51,865.96

For the year ended 31 March 2018 Amount in ` lakhs

Balance as at 1 April 2017	Changes in equity share capital during the year	Balance as at 31 March 2018
2,33,287.96	8,578.00	2,41,865.96

(B). Other Equity

For the year ended 31 March 2019

Amount in ` lakhs

	Share Application Money Pending allotment	Reserves & Surplus	Other comprehensive income	Total
		Retained Earnings		
Balance as at 1 April 2018		5,299.10	-	5,299.10
Profit for the year		(215.36)	-	(215.36)
Other comprehensive Income		-	-	-
Total Comprehensive Income		(215.36)	-	(215.36)
Adjustment during the year		-	-	-
Application Money Received	21,000.00	-	-	21,000.00
Less : Shares allotted against application money received	(10,000.00)	-	-	(10,000.00)
Transfer to Retained earnings		-	-	-
Transfer from Retained earnings		-	-	-
Balance as at 31 March 2019	11,000.00	5,083.74	-	16,083.74

For the year ended 31 March 2018

Amount in ` lakhs

	Share Application Money Pending allotment	Reserves & Surplus	Other comprehensive income	Total
		Retained Earnings		
Balance as at 1 April 2017		5,317.97	-	5,317.97
Profit for the year		(18.87)	-	(18.87)
Other comprehensive Income		-	-	-
Total Comprehensive Income		(18.87)	-	(18.87)
Adjustment during the year		-	-	-
Application Money Received	8,578.00			8,578.00
Less : Shares allotted against application money received	(8,578.00)			(8,578.00)
Transfer to Retained earnings		-	-	-
Transfer from Retained earnings		-	-	-
Balance as at 31 March 2018	-	5,299.10	-	5,299.10

For & on behalf of the Board of Directors

Arun Kumar	Navneet Goel	A.K. Samanta	Subir Chakravorty	S.Roy
Company Secretary	HOF	CEO	Director	Chairman

For Rakhecha & Co
Chartered Accountants
Firm Regn No. 002990N

(Anil Kumar)
Partner
M No. 518544

Place: New Delhi
Dated 20.05.2019

MEJAURJA NIGAM PRIVATE LIMITED

Significant Accounting Policies – 2018-19

1. **Company Information and Significant Accounting Policies**

A. **Reporting entity**

Meja Urja Nigam Private Limited (the "Company") is a 50:50 Joint Venture Company of NTPC Limited & Uttar Pradesh Rajya Vidhyut Utpadan Nigam Limited, domiciled in India and limited by shares(CIN:U74900DL2008PTC176247). The address of the Company's registered office is NTPC Bhawan, SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi -110003. The Company is having objective to generate and sale of power to State Power Utilities and engaged in setting up of Super Critical 2x660 MW Thermal Power Project at Village Kohdar in Prayagraj District of Uttar Pradesh.

B. **Basis of preparation**

1. **Statement of Compliance**

These standalone financial statements are prepared on going concern basis following accrual system of accounting and comply 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 financial statements were authorized for issue by the Board of Directors on 20th May 2019.

2. **Basis of measurement**

The financial statements have been prepared on the historical cost basis except for:

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments); and
- Plan assets in the case of employees defined benefit plans that are measured at fair value.

The methods used to measure fair values are discussed in notes to the financial statements.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition or the amount of proceeds received in exchange for the obligation, or at the amounts of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business. 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.

3. **Functional and presentation currency**

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

4. **Current and non-current classification**

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;

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- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

C. Significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

The Company has elected to utilize the option under Ind AS 101 by not applying the provisions of Ind AS 16& Ind AS 38 retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS i.e. 1 April 2015. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1 April 2015, i.e; the Company's date of transition to Ind AS, were maintained on transition to Ind AS.

1. Property, plant and equipment

1.1. Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only 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.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses. Cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

When parts of an item of property, plant and equipment have different useful lives, they are recognized separately.

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

In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalization is done on provisional basis subject to necessary adjustment in the year of final settlement.

Assets and systems common to more than one generating unit are capitalized on the basis of engineering estimates/assessments.

Items of spare parts, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalized. Other spare parts are carried as inventory and recognized in the statement of profit and loss on consumption.

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1.2. Subsequent costs

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 enterprise and the cost of the item can be measured reliably.

Expenditure on major inspection and overhauls of generating unit is capitalized, when it meets the asset recognition criteria.

The cost of replacing part of an item of property, plant and equipment is recognized 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 derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

1.3. Decommissioning costs

The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

1.4. De-recognition

Property, plant and equipment is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains and losses on de-recognition of an item of property, plant and equipment are determined by comparing the proceeds from disposal, if any, with the carrying amount of property, plant and equipment, and are recognized in the statement of profit and loss.

1.5. Depreciation/amortization

Depreciation is recognized in statement of profit and loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term.

Depreciation on the assets of the generation of electricity business and on the assets of Corporate & other offices is charged on straight-line method following the rates and methodology notified by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

Depreciation on the assets of the coal mining, oil & gas exploration and consultancy business is charged on straight-line method following the useful life specified in Schedule II of the Companies Act, 2013.

Depreciation on the following assets is provided on their estimated useful life ascertained on technical evaluation:

a) Kutcha roads	2 years
b) Enabling works	
- residential buildings	15 years
- internal electrification of residential buildings	10 years
- non-residential buildings including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips.	5 years
c) Personal computers & laptops including peripherals	3 years
d) Photocopiers, fax machines, water coolers and refrigerators	5 years
e) Temporary erections including wooden structures	1 year
f) Telephone exchange	15 years
g) Wireless systems, VSAT equipments, display devices viz. projectors, screens, CCTV, audio video conferencing systems and other communication	6 years

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equipments	
h) Energy saving electrical appliances and fittings	2-7 years

Major overhaul and inspection costs which have been capitalized are depreciated over the period until the next scheduled outage or actual major inspection/overhaul, whichever is earlier.

Leasehold land and buildings relating to generation of electricity business 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.

Leasehold land and buildings relating to corporate and other offices are fully amortized over lease period or twenty-five years whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

Land acquired for mining business under Coal Bearing Areas (Acquisition & Development) Act, 1957 is amortized on the basis of balance useful life of the project. Other leasehold land acquired for mining business is amortized over the lease period or balance life of the project whichever is less.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposed.

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, change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/amortization.

Where it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a PPE along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

In circumstance, where a property is abandoned, the cumulative capitalized costs relating to the property are written off in the same period.

The residual values, useful lives and method of depreciation of assets other than the assets of generation of electricity business are reviewed at each financial year end and adjusted prospectively, wherever required.

2. Capital work-in-progress

The cost of self-constructed assets includes the cost of materials & direct labour, any other costs directly attributable to bringing the assets to the location and condition necessary for it to be capable of operating in the manner intended by management and borrowing costs.

Expenses directly attributable to construction of property, plant and equipment incurred till they are ready for their intended use are identified and allocated on a systematic basis on the cost of related assets.

Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.

Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

3. Intangible assets and intangible assets under development

3.1. Initial recognition and measurement

An intangible asset is recognized if and only if it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be

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Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses. Cost includes any directly attributable incidental expenses necessary to make the assets ready for its intended use.

Expenditure on development activities is capitalized 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.

Expenditure incurred which are eligible for capitalizations under intangible assets arecarried as intangible assets under development till they are ready for their intended use.

3.2. Subsequent costs:

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 enterprise and the cost of the item can be measured reliably.

3.3. De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gains & losses on de-recognition of an item of intangible assets are determined by comparing the proceeds from disposal, if any, with the carrying amount of intangible assets and are recognized in the statement of profit and loss.

3.4. Amortization

Cost of software recognized as intangible asset, is amortized on straight-line method over a period of legal right to use or 3 years, whichever is less. Other intangible assets are amortized on straight-line method over the period of legal right to use or life of the related plant, whichever is less.

The amortization period and the amortization method of intangible assets with a finite useful life is reviewed at each financial year end.

4. Regulatory deferral account balances

Expense/income recognized in the statement of profit and 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'.

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 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 derecognized.

5. Borrowing costs

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments' (b) finance charges in respect of finance leases recognized in accordance with Ind AS 17 – 'Leases' and (c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction/exploration/ development or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which

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necessarily take substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset.

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

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete.

Other borrowing costs are recognized as an expense in the year in which they are incurred.

6. **Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Costs of purchased inventory are determined after deducting rebates and discounts. 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.

The diminution in the value of obsolete, unserviceable, surplus and non-moving items of stores and spares is ascertained on review and provided for.

Steel scrap is valued at estimated realizable value.

7. **Cash and cash equivalents**

Cash and cash equivalents in the balance sheet comprise cash at banks, cash on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

8. **Government grants**

Government grants are recognized initially as deferred income when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant. Grants that compensate the Company for the cost of an asset are recognized in profit or loss on a systematic basis over the useful life of the related asset. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and deducted from the related expenses.

9. **Provisions, contingent liabilities and contingent assets**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions 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 a finance costs.

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

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 recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The

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expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are possible assets that arise 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 judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

10. Foreign currency transactions and translation

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in profit or loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized upto 31 March 2016 are adjusted to the carrying cost of property, plant and equipment.

Non-monetary items are measured in terms of historical cost in a foreign currency and translated using the exchange rate at the date of the transaction. 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 recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

11. Revenue

Company's revenues arise from sale and trading of energy, consultancy, project management & supervision services and other income. Revenue from other income comprises interest from banks, employees, contractors etc., dividend from investments in joint venture & subsidiary companies, dividend from mutual fund investments, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

Effective 1 April 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative effect method and therefore the comparatives have not been restated and continues to be reported as per Ind AS 18 and Ind AS 11. The details of accounting policies as per Ind AS 18 and Ind AS 11 are disclosed separately if they are different from those under Ind AS 115.

11.1. Revenue from sale of energy

The majority of the Company's operations in India are regulated under the Electricity Act, 2003. Accordingly, the CERC determines the tariff for the Company's power plants based on the norms prescribed in the tariff regulations as applicable from time to time. Tariff is based on the capital cost incurred for a specific power plant and primarily comprises two components: capacity charge i.e. a fixed charge, that includes depreciation, return on equity, interest on working capital,

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operating & maintenance expenses, interest on loan and energy charge i.e. a variable charge primarily based on fuel costs.

Revenue is measured based on the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control over the products or services to a customer.

In the comparative period, revenue from the sale of energy was measured at the fair value of the consideration received or receivable. Revenue was recognized when the significant risks and rewards of ownership had been transferred to the buyer, recovery of the consideration was probable, the associated costs could be estimated reliably, there was no continuing management involvement, and the amount of revenue could be measured reliably.

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 recognized once the electricity has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. As at each reporting date, revenue from sale of energy includes an accrual for sales delivered to beneficiaries but not yet billed i.e. unbilled revenue.

The incentives/disincentives are accounted for based on the norms notified/approved by the CERC as per principles enunciated in Ind AS 115. In cases of power stations where the same have not been notified/approved, incentives/disincentives are accounted for on provisional basis.

Part of revenue from sale of energy is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries and trading of power through power exchanges.

Rebates allowed to beneficiaries as early payment incentives are deducted from the amount of revenue.

Advance against depreciation considered as deferred revenue in earlier years is included in sales, to the extent depreciation recovered in tariff during the year is lower than the corresponding depreciation charged.

Exchange differences arising from settlement/translation of monetary items denominated in foreign currency to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as 'Regulatory deferred account balances' and adjusted from the year in which the same becomes recoverable/payable.

Exchange differences on account of translation of foreign currency borrowings recognized upto 31 March 2016, recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset'. The increase or decrease in depreciation for the year due to the accounting of such exchange differences as mentioned above is adjusted in depreciation. Fair value changes in respect of forward exchange contracts of derivative contracts recoverable from/payable to the beneficiaries as per the CERC Tariff Regulations, are recognized in sales.

11.2. Other income

Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR).

Scrap other than steel scrap is accounted for as and when sold.

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Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realization.

Revenue from rentals and operating leases is recognized on an accrual basis in accordance with the substance of the relevant agreement.

The interest/surcharge on late payment/overdue trade receivables for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.

Interest/surcharge recoverable on advances to suppliers as well as warranty claims wherever there is uncertainty of realization/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.

12. Employee benefits

All employee of the Company are on secondment basis from the promoter Company NTPC Limited, Employee benefit are reimbursed to promoter company shall include provident fund, gratuity, post-retirement medical facilities, compensatory absences, long service award, economic rehabilitation scheme and other terminal benefits. Company's contribution towards these are benefits, are determined as a percentage of basic pay and dearness allowance under an arrangement and is recognised in the financial statement accordingly.

Short term employee benefit are recognised as an expenses at the discounted amount in the financial statement for the year, in which the related services are rendered.

13. Other expenses

Expenses on ex-gratia payments under voluntary retirement scheme, training & recruitment and voluntary community development are charged to statement of profit and loss in the year incurred.

Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to statement of profit and loss.

Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.

Transit and handling losses of coal as per Company's norms are included in cost of coal.

14. Income tax

Income tax expense comprises current tax. Current tax expense is recognized in profit or loss.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted and as applicable at the reporting date, and any adjustment to tax payable in respect of previous years.

Additional income taxes that arise from the distribution of dividends are recognized at the same time that the liability to pay the related dividend is recognized.

15. Leases

15.1. As lessee

Accounting for operating leases

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases are recognized as an expense on a straight-line basis over the lease term unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

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15.2. As lessor

At the inception of an arrangement, the Company determines whether such an arrangement is or contains a lease. A specific asset is subject of a lease if fulfillment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the customer the right to control the use of the underlying asset. Arrangements that do not take the legal form of a lease but convey rights to customers/suppliers to use an asset in return for a payment or a series of payments are identified as either finance leases or operating leases.

Accounting for operating leases

Where the Company determines a long term PPA to be or to contain a lease and where the Company retains the principal risks and rewards of ownership of the power plant, the arrangement is considered an operating lease.

For operating leases, the power plant is capitalized as property, plant and equipment and depreciated over its economic life. Rental income from operating leases is recognized on a straight line basis over the term of the arrangement unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

16. Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 - 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. 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. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the 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 amortization, if no impairment loss had been recognized.

17. Operating segments

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place.

Segment results that are reported to the CODM include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly

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corporate expenses, finance costs, income tax expenses and corporate income.

Revenue directly attributable to the segments is considered as segment revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as segment expenses.

Segment capital expenditure is the total cost incurred during the period to acquire property, plant and equipment, and intangible assets other than goodwill.

Segment assets comprise property, plant and equipment, intangible assets, trade and other receivables, inventories and other assets that can be directly or reasonably allocated to segments. For the purpose of segment reporting for the year, property, plant and equipment have been allocated to segments based on the extent of usage of assets for operations attributable to the respective segments. Segment assets do not include investments, income tax assets, capital work in progress, capital advances, corporate assets and other current assets that cannot reasonably be allocated to segments.

Segment liabilities include all operating liabilities in respect of a segment and consist principally of trade and other payables, employee benefits and provisions. Segment liabilities do not include equity, income tax liabilities, loans and borrowings and other liabilities and provisions that cannot reasonably be allocated to segments.

18. Dividends

Dividends and interim dividends payable to a Company's shareholders are recognized as changes in equity in the period in which they are approved by the shareholders' meeting and the Board of Directors respectively.

19. Material prior period errors

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

20. Earnings per share

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.

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.

Basic and diluted earnings per equity share are also computed using the earnings amounts excluding the movements in regulatory deferral account balances.

21. Statement of cash flows

Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of cash flows'.

22. Financial instruments

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.

22.1. Financial assets

Initial recognition and measurement

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The company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized 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 amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

• The rights to receive cash flows from the asset have expired, or

• The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The difference between the carrying amount and the amount of consideration received / receivable is recognized in the Statement of Profit and Loss.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.
(b) Trade receivables under IndAS115.
(c) Loan commitments which are not measured as at FVTPL.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12month ECL.

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22.2. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process Amortized 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 amortization is included in finance costs in the profit or loss. This category generally applies to borrowings, trade payables and other contractual liabilities.

De-recognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

D. Use of estimates and management judgments

The preparation of 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 judgments are based on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised 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 have the most significant effect on the amounts recognised in the financial statements is as under:

1. Formulation of accounting policies

The accounting policies are formulated in a manner that results in financial statements containing relevant and reliable information about the transactions, other events and conditions to which they apply. Those policies need not be applied when the effect of applying them is immaterial.

2. Useful life of property, plant and equipment and intangible assets

The estimated useful life of property, plant and equipment and intangible assets is based on a

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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 expenditures required to obtain the expected future cash flows from the asset.

Useful life of the assets of the generation of electricity business is determined by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

3. 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.

4. Revenues

The Company records revenue from sale of energy based on tariff rates approved by the CERC as modified by the orders of Appellate Tribunal for Electricity, as per principles enunciated under Ind AS 115. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations.

5. Leases not in legal form of lease

Significant judgment is required to apply lease accounting rules under Appendix C to Ind AS 17 'Determining whether an arrangement contains a lease'. In assessing the applicability to arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement needs the criteria under Appendix C to Ind AS 17.

6. Assets held for sale

Significant judgment is required to apply the accounting of non-current assets held for sale under Ind AS 105 - 'Non-current assets held for sale and discontinued operations'. In assessing the applicability, management has exercised judgment to evaluate the availability of the asset for immediate sale, management's commitment for the sale and probability of sale within one year to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

7. Regulatory deferral account balances

Recognition of regulatory deferral account balances involves significant judgements including about future tariff regulations since these are based on estimation of the amounts expected to be recoverable/payable through tariff in future.

8. Provisions and contingencies

The assessments undertaken in recognizing 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 required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

9. Income taxes

Significant estimates are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

2. Property, Plant and equipment

Amount in ₹ Lakhs

	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2018	Additions	Deductions/ Adjustments	As at 31.03.2019	Upto 01.04.2018	For the year	Deductions/ Adjustments	Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
Land :										
(including development expenses)										
Freehold	18,553.50	41.99		18,595.49	-	-		-	18,595.49	18,553.50
Roads, Bridges & culverts	1,731.70	(0.00)	14.45	1,717.25	141.48	57.91	1.45	197.94	1,519.31	1,590.22
Buildings	11,431.88	(0.00)	17.23	11,414.65	1,119.96	406.12	3.29	1,522.79	9,891.86	10,311.92
Water supply, drainage & Sewerage system	540.50	-		540.50	85.81	20.11		105.92	434.58	454.69
Plant and machinery	382.10	363.91	23.35	722.66	35.98	33.05	0.55	68.48	654.18	346.12
Furniture and fixtures	684.50	68.40		752.90	92.07	55.58		147.65	605.25	592.43
Vehicles	44.53	-		44.53	7.14	3.03		10.17	34.36	37.39
Office equipment	313.47	204.86		518.33	82.94	44.43		127.37	390.96	230.53
EDP, WP machines and satcom equipment	232.51	34.73		267.24	109.54	52.13		161.67	105.57	122.97
Construction Equipment	493.37	76.59		569.96	62.49	47.35		109.84	460.12	430.88
Electrical installations	1,360.57	9.26		1,369.83	250.30	80.81		331.11	1,038.72	1,110.27
Communication equipments	95.58	0.14		95.72	49.65	19.32		68.97	26.75	45.93
Laboratory & Workshop equipment	117.36	2.62		119.98	13.07	6.47		19.54	100.44	104.29
Total	35,981.57	802.50	55.03	36,729.04	2,050.43	826.31	5.29	2,871.45	33,857.59	33,931.14

	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2017	Additions	Deductions/ Adjustments	As at 31.03.2018	Upto 01.04.2017	For the year	Deductions/ Adjustments	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
Land :										
(including development expenses)										
Freehold	17,529.28	1,024.22	-	18,553.50	-	-	-	-	18,553.50	17,529.28
Roads, Bridges & culverts	1,731.70	-	-	1,731.70	92.81	48.67	-	141.48	1,590.22	1,638.89
Buildings	9,677.10	1,702.96	(51.82)	11,431.88	702.24	417.72	-	1,119.96	10,311.92	8,974.86
Water supply, drainage & Sewerage system	543.40	3.10	6.00	540.50	64.55	21.26	-	85.81	454.69	478.85
Plant and machinery	168.57	213.53	-	382.10	19.59	16.39	-	35.98	346.12	148.98
Furniture and fixtures	403.42	281.38	0.30	684.50	47.88	44.40	0.21	92.07	592.43	355.54
Vehicles	14.05	30.48	-	44.53	4.07	3.07	-	7.14	37.39	9.98
Office equipment	187.91	123.61	(1.95)	313.47	46.68	36.26	-	82.94	230.53	141.23
EDP, WP machines and satcom equipment	146.09	86.42	-	232.51	77.23	32.31	-	109.54	122.97	68.86
Construction Equipment	493.37	-	-	493.37	15.62	46.87	-	62.49	430.88	477.75
Electrical installations	1,326.58	33.99	-	1,360.57	171.67	78.63	-	250.30	1,110.27	1,154.91
Communication equipments	90.99	2.45	(2.14)	95.58	26.63	23.02	-	49.65	45.93	64.36
Laboratory & Workshop equipment	114.83	2.53	-	117.36	6.95	6.12	-	13.07	104.29	107.88
Total	32,427.29	3,504.67	(49.61)	35,981.57	1,275.92	774.72	0.21	2,050.43	33,931.14	31,151.37

a) The Company is holding conveyancing title in respect of all pieces of freehold land awarded / acquired admeasuring to 1289.244 Hectares, however mutation of the land acquired by the Company is pending in respect of 115.4503 Hectares (previous year 7.7458 Hectare) of Freehold land of value INR 455.86 Lakh (previous year INR 111.62 Lakh lakh). Rehabilitation action plan for the same is to be finalised.

b) Refer Note 11 on property, plant & equipment hypothecated as security by the company to lending institution.

c) **Deduction/adjustments from gross block and depreciation / amortisation for the year includes:**

	Gross Block		Depreciation/Amortisation	
	31.03.2019	31.03.2018	31.03.2019	31.03.2018
Disposal of assets	-	-	-	-
Retirement of Assets	-	(0.30)	-	0.21
Assets capitalised with retrospective effect / Write back of excess capitalisation	-	-	-	-
Cost Adjustment	55.03	(49.31)	5.29	-
Transfer in/out	-	-	-	-
	55.03	(49.61)	5.29	0.21

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d) Gross carrying amount of the fully depreciated property, plant and equipment that are still in use :

	As at 31.03.2019	As at 31.03.2018
Buildings	1,052.21	865.28
Water supply, drainage & Sewerage system	103.37	62.40
Plant and machinery	0.93	0.55
Furniture and fixtures	48.46	40.77
Office equipment	52.91	26.58
EDP, WP machines and satcom equipment	155.78	111.46
Electrical installations	2.14	2.14
Communication equipments	13.07	13.07
Laboratory & Workshop equipment	0.67	0.41
	1,429.54	1,122.66

Intangible assets

Amount in ₹ Lakhs

	Gross Block				Amortisation				Net Block	
	As at 31.03.2018	Additions	Deductions/ Adjustments	As at 31.03.2019	Upto 01.04.2018	For the year	Deductions/ Adjustments	Upto 31.03.2019	As at 31.03.2019	As at 31.03.2018
Right of Use-Land	249.98	-	-	249.98	21.48	10.00	-	31.48	218.50	228.50
Software	25.89	9.14	-	35.03	17.98	9.44	-	27.42	7.61	7.91
Total	275.87	9.14	-	275.87	39.46	19.44	-	58.90	226.11	236.41
Grand Total	36,257.44	811.64	55.03	37,004.91	2,089.89	845.75	5.29	2,930.35	34,083.70	34,167.55

	Gross Block				Amortisation				Net Block	
	As at 01-04-2017	Additions	Deductions/ Adjustments	As at 31.03.2018	Upto 01.04.2017	For the year	Deductions/ Adjustments	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
Right of Use-Land	245.75	-	(4.23)	249.98	11.47	10.01	-	21.48	228.50	234.28
Software	25.89	-	-	25.89	9.35	8.63	-	17.98	7.91	16.54
Total	271.64	-	(4.23)	275.87	20.82	18.64	-	39.46	236.41	250.82
Grand Total	32,698.93	3,504.67	(53.84)	36,257.44	1,296.74	793.36	0.21	2,089.89	34,167.55	31,402.19

The right of use of land and others are amortized over the period of legal right to use or life of the related plant, whichever is less.

Depreciation/amortisation of Tangible and Intangible Assets for the year is allocated as given below:

	31.03.2019	31.03.2018
Transferred to expenditure during construction period (net) - Note 23	840.46	793.34

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2(a). Capital work-in-progress

Amount in ₹ Lakhs

	As at 31.03.2018	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2019
Development of land	11,773.11	755.57	-	-	**12,528.68**
Roads, bridges, culverts & helipads	1,675.45	125.37	-	-	**1,800.82**
Buildings :					**-**
Main plant	44,217.64	13,074.82	-	-	**57,292.46**
Others	971.26	1,170.53	-	-	**2,141.80**
Temporary erection	7.87	0.49	-	-	**8.36**
Water supply, drainage and sewerage system	385.33	366.57	-	-	**751.90**
Earth dam reservoir	11,609.66	1,964.68	-	-	**13,574.34**
Plant and machinery	6,47,566.08	69,560.14	-	-	**7,17,126.22**
Furniture and fixtures	3.52	11.25	-	-	**14.77**
Office Equipment	-	-	-	-	**-**
Electrical installations	920.36	123.10	-	-	**1,043.46**
Communication equipment	28.37	1.75	-	-	**30.12**
Railway Siding	67,821.57	29,285.30	-	-	**97,106.87**
	7,86,980.22	1,16,439.57	-	-	**9,03,419.80**
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	10,735.67	1,113.64	-	-	**11,849.31**
Difference in Exchange on Foreign Currency Loans	9,114.05	-	-	-	**9,114.05**
Pre-Commissioning Expenses (net)	7,061.69	11,545.50	-	-	**18,607.19**
Expenditure during construction period (net)*		66,249.75	-	-	**66,249.75**
Less: Allocated to related works		66,249.75			**66,249.75**
	8,13,891.63	1,29,098.71	-	-	**9,42,990.35**
Construction stores	12,020.61	12,342.96	-	-	**24,363.57**
Total	8,25,912.24	1,41,441.67	-	-	**9,67,353.92**

Amount in ₹ Lakhs

	As at 31.03.2017	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2018
Development of land	21,680.25	810.69	10,717.83	-	**11,773.11**
Roads, bridges, culverts & helipads	1,416.21	259.24	-	-	**1,675.45**
Buildings :					
Main plant	36,920.82	7,296.82	-	-	**44,217.64**
Others	1,056.15	1,488.00	(40.00)	1,612.89	**971.26**
Temporary erection	7.33	0.54	-	-	**7.87**
Water supply, drainage and sewerage system	100.89	293.53	6.00	3.09	**385.33**
Earth dam reservoir	-	966.37	(10,643.29)	-	**11,609.66**
Plant and machinery	5,36,034.86	1,11,656.81	-	125.59	**6,47,566.08**
Furniture and fixtures	3.28	0.24	(86.36)	86.36	**3.52**
Office Equipment	-	-	-	-	**-**
Electrical installations	383.84	536.52	-	-	**920.36**
Communication equipment	25.99	2.38	-	-	**28.37**
Railway Siding	38,803.44	29,018.13	-	-	**67,821.57**
	6,36,433.06	1,52,329.27	(45.82)	1,827.93	**7,86,980.22**
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	10,121.64	614.03	-	-	**10,735.67**
Difference in Exchange on Foreign Currency Loans	5,381.57	3,732.48	-	-	**9,114.05**
Pre-Commissioning Expenses (net)	80.97	6,980.72	-	-	**7,061.69**
Expenditure during construction period (net)*		66,116.67	-	-	**66,116.67**
Less: Allocated to related works		66,116.67	-	-	**66,116.67**
	6,52,017.24	1,63,656.50	(45.82)	1,827.93	**8,13,891.63**
Construction stores	29,887.13	(17,866.52)	-	-	**12,020.61**
Total	6,81,904.37	1,45,789.98	(45.82)	1,827.93	**8,25,912.24**

* Brought from expenditure during construction period (net) - Note 23

Notes:

a) The borrowing cost capitalised during the year is INR 51420.93 Lakh (Previous year figure INR 46,194.94 Lakh)

b) Pre-commissioning expenses for the year amount to INR 13639.35 Lakh (up to 31 March 2018: INR 7,190.74) and after adjustment of pre-commissioning sales of INR 2093.85 Lakhs (up to 31 March 2018: 129.05) resulted in net pre-commissioning expenditure of INR 11545.50 Lakh (up to 31 March 2018: 7,061.69 Lakh).

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3. Other non current assets

Amount in ₹ Lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Capital advances		
Unsecured Consider Good		
Covered by bank guarantee	8,598.01	9,029.49
Others	10,868.19	11,849.44
Advances other than capital advances		
Unsecured Consider Good		
Advance tax & tax deducted at source	885.12	590.86
Security Deposits	191.77	191.77
Total	20,543.09	21,661.56

a) Capital advances include advances to related parties of INR 3088.75 lakh (31 March 2018: INR 9887.35 lakh).

b) Advance tax & tax deducted at source includes INR 729.27 lakh (31 March 2018: INR 240.58 lakh) income tax deposited under protest with Income Tax Authorities.

c) Advance Tax & Tax deducted at source are net of Provision for income tax amounting to Rs 41.00 lakh made during the year.

d) Security deposit represent deposit with government department.

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4. Current assets - Inventories

Amount in ₹ Lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Coal	2297.22	1,678.99
Fuel Oil	1884.5	-
Total	4,181.72	1,678.99

a) Inventory items have been valued as per accounting policy no. C.6 (Note 1).
b) Refer Note 13 for information on inventories hypothecated as security by the Company.

5. Trade Receivables

Amount in ₹ Lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Trade receivables		
Unsecured, considered good	832.95	129.05
Total	832.95	129.05

a) Amounts receivable from related parties Rs. 832.95 Lakh are disclosed in Note 30.

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6. Cash and Cash Equivalents

Amount in ₹ Lakhs

As at	31.03.2019	31.03.2018
Cash & cash equivalents		
Balances with banks		
- Current accounts	**1996.81**	**3,132.03**
- Deposits with original maturity of less than three months (including interest accrued)	**5963.53**	**2,079.74**
	7,960.34	**5,211.77**
Total	**-**	**-**

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7. Other current financial assets

Amount in ₹ Lakhs

Particulars	As At 31.03.2019	As At 31.03.2018
Advances		
Consider good unless otherwise stated		
Related Parties		
Unsecured	**19.02**	**0.00**
Employees		
Unsecured	**0.23**	**0.93**
Other	**0.43**	**1.19**
Total	**19.68**	**2.12**

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8. Other current assets

Amount in ₹ Lakhs

Particulars	As At 31.03.2019	As At 31.03.2018
Advances		
Employees		
Unsecured, Considered Good	0.59	7.66
Contractors & suppliers		
Unsecured, Considered Good	3292.56	1,464.68
Others		
Unsecured, Considered Good	51.65	15.52
Balance with government/statutory authorities	0.00	5.68
Total	3,344.80	1,493.54

a) Other current assets - others include prepaid expenses.

b) Contractor & suppliers outstanding includes INR 221.58 Lakh recoverable from related parties.

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9. Share capital

Amount in ₹ Lakhs

As at	31.03.2019	31.03.2018
Equity share capital		
Authorised		
350,00,00,000 shares of par value of ₹10/- each (250,00,00,000 shares of par value of ₹10/- each as at 31 March 2018)	3,50,000.00	3,50,000.00
Issued, subscribed and fully paid-up		
251,86,59,600 shares of par value of ₹ 10/- each (31 March 2018: 241,86,59,600 shares of par value of ₹10/- each)	2,51,865.96	2,41,865.96

a) The Company has only one class of equity shares having a 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 share holding at the meetings of shareholders.

b) **Reconciliation of Share Capital**

	31.03.2019		31.03.2018	
	No.	Amount	No.	Amount
Outstanding at the beginning of the year	2,41,86,59,600	241865.96	2,33,28,79,600	2,33,287.96
Shares issued during the year	10,00,00,000	10000.00	8,57,80,000	8,578.00
Outstanding at the end of the year	2,51,86,59,600	2,51,865.96	2,41,86,59,600	2,41,865.96

c) **Detail of Shareholder's holding more than 5% shares in the company**

Particulars	31.03.2019		31.03.2018	
	No. of shares	% age holding	No. of shares	% age holding
-NTPC LTD	1,25,93,29,800	50%	1,20,93,29,800	50%
-UPRVUNL	1,25,93,29,800	50%	1,20,93,29,800	50%

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10. Other equity

Amount in ₹ Lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Retained earnings	5,083.74	5,299.10
Share application money	11,000.00	-
Closing balance	**16,083.74**	**5,299.10**

	For the year ended 31.03.2019	31.03.2018
(a) Retained earnings		
Opening balance	5,299.10	5,317.97
Add: Profit for the year as per Statement of Profit and Loss	(215.36)	(18.87)
Closing balance	**5,083.74**	**5,299.10**
(b) Share Application Money Pending Allotment		
Opening Balance	-	-
Add: Received during the Year	21,000.00	8,578.00
Less: Shares Allotted during the year	10,000.00	8,578.00
Closing Balance	11,000.00	-
Share application money pending allotment has been received from		
NTPC Ltd.	6,000.00	-
UPRVUNL	5,000.00	-
Total	11,000.00	-
	-	-

The shares are likely to be allotted in the financial year 2018-19.
The authorized share capital of the company is sufficient to cover the share capital amount on allotment of shares out of the above share application money.

No amount is refundable out of above share application money and no interest is payable for the year.

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11. Non-current borrowings

Amount in ₹ Lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Term loans		
Secured		
From Banks		
Foreign currency loans	91,171.54	88,641.06
Rupee loans	-	0.53
From financial institutions		
Rupee loans	5,91,027.42	4,64,035.68
Less: Current Maturity of :		
Foreign currency loans	3,774.64	-
Less: Interest accrued but not due on borrowings	10,994.83	8,020.83
Total	6,67,429.49	5,44,656.44

Term Loan Details

i In FY 2017-18, the company has got refinanced the domestic loan from M/s Power Finance Corporation on 14.08.2017 by pre-payment of the costlier loan of consortium of 18 banks amounting to INR 370,312.17 Lakhs. The new loan is repayable in 60 quarterly installments commencing from April 2020. Interest is payable quarterly at the rate AAA 3-Years Reuters + 185 basis points.

iii Foreign Currency Term Loan Facility (carved out of share of State Bank of India in aforesaid Rupee term Loan Facility) has been tied up with SBI Tokyo, which carries fixed interest rate ranging from 3.00 % to 5.17% and floating interest linked to Six month LIBOR + 198.5 bps, with half yearly rests. The loan is repayable in twenty four half yearly installments commencing from March 2020.

iv There has been no default in repayment of the loan or interest thereon as at the end of the year.

Security Details

v Foreign Currency Term Loan are secured by equitable mortgage, by way of first parri passu charge, by deposit of the title deeds of the immovable properties. Deed of Hypothecation for all present and future movable assets of the Company has also been executed with the Security Trustee and Indenture of Mortgage executed with the Security Trustee has been registered with the appropriate authority.

vi Rupee Term Loan Facilities are proposed to be secured by equitable mortgage, by way of first parri passu charge, by deposit of the title deeds of the immovable properties pertaining to Company. The security document yet not executed due to delay in release of charge by some of the previous lenders, however the Company is following the matter to complete the process of creation of the security.

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12. Other Non current Financial Liabilities

Amount in ₹ Lakhs

As at	31.03.2019	31.03.2018
Payable for capital expenditure	2665.97	3,000.88
Total	**2,665.97**	**3,000.88**

a) Amounts payable to related parties are disclosed in Note 30.

b) Payable for capital expenditure include INR Nil Lakh (31 March 2018: INR 32.61 Lakh) payable to MSME vendors. Detailed disclosures as required under MSMED Act, 2006 are provided in Note 33.

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13. Borrowings

Amount in ₹ Lakhs

As at	31.03.2019	31.03.2018
Loan repayable on demand		
From Bank		
Secured		
Cash Credit	**3032.17**	-
Total	**3,032.17**	**-**

a) Cash credit facility secured by hypothecation on entire current asset of stock of raw materials, stock in process and finished goods, book debts of the company. Cash Credit facility carries floating rate of interest linked to the bank's base rate.

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14. Trade payables

Amount in ₹ Lakhs

As at	31.03.2019	31.03.2018
For goods and services	2,586.78	774.91
Others	215.71	368.26
Total	**2,802.49**	**1,143.17**

a) Amounts payable to related parties are disclosed in Note 30.

b) Trade Payables include INR 65.69 Lakh (31 March 2018: INR 21.02 Lakh) payable to MSME vendors. Detailed disclosures as required under MSMED Act, 2006 are provided in Note 33.

15. Other Current financial liabilities

Amount in ₹ Lakhs

Particulars	31.03.2019	31.03.2018
Current maturities of non-current borrowings		
Foreign currency loans	3,774.64	-
Interest accrued but not due on borrowings	10,994.83	8,020.83
Payable for capital expenditure	72,556.34	76,572.26
Other payables		
Deposits from contractors and others	1,495.46	1,220.20
Payable to NTPC Ltd (Joint venturer)	1,395.11	992.97
Payable to employees	1,553.82	1,260.48
Others	688.63	3,641.75
Total	92,458.83	91,708.49

a) Details in respect of rate of interest and terms of repayment of current maturities of secured long term borrowings indicated above are disclosed in Note 11.

b) Payable for capital expenditure include INR 282.72 Lakh (31 March 2018: INR 435.72 Lakhs) payable to MSME vendors. Detailed disclosures as required under MSMED Act, 2006 are provided in Note 33.

c) Deposits from contractors and others include INR 517.92 Lakh (31 March 2018: INR 237.62 Lakh) payable to MSME vendors as per contract terms.

d) Other payables - Others includes amount payable parties towards stale cheques etc.

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16. Other current liabilities

Amount in ₹ Lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Tax deducted at source and other statutory dues	**509.57**	**314.67**
Advance from customers	**25.05**	**137.50**
Total	534.62	452.17

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17. Current provisions

Amount in ₹ Lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Provision for		
Obligations incidental to land acquisition	1,195.14	1,572.45
Long service award and farewell gift to employees	-	9.22
Other	98.30	202.04
Total	1,293.44	1,783.71

a) Disclosure required by Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' is made in Note 31.

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18. Regulatory deferral account credit balances

Amount in ₹ Lakhs

Particulars	As at 31.03.2019	As at 31.03.2018
Exchange differences	153.49	346.90

Regulatory deferral account balances have been accounted in line with Accounting policy no. C.4. Refer Note 32 for detailed disclosures.

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19. Other income

Amount in ₹ Lakhs

For the year ended	31.03.2019	31.03.2018
Interest from		
Advances to contractors	**135.43**	**161.95**
Other non-operating income		
Profit on disposal of fixed assets	-	**0.13**
Sale of Scrap	**811.76**	**0.32**
Miscellaneous income	**226.27**	**120.74**
	1,173.46	**283.14**
Less: **Transferred to expenditure during construction period (net) - Note 23**	**1,173.46**	283.14
Total	-	-

a) Miscellaneous income includes recoveries from contractors/suppliers , recovery for use of vehicle etc.

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20. Employee benefits expense

Amount in ₹ Lakhs

For the year ended	31.03.2019	31.03.2018
Salaries and wages*	7,718.36	6,810.44
Contribution to provident and other funds	1,614.53	1,325.42
Staff welfare expenses	945.74	445.41
	10,278.63	**8,581.27**
Less: Transferred to expenditure during construction period (Net)- Note 23	**10,278.63**	8,581.27
Total	-	-

* Salary & Wages in FY 2017-18 includes expenses towardes revision of pay scales of employees of NTPC Ltd posted on secondment basis to the company.

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21. Finance costs

Amount in ₹ Lakhs

For the year ended	31.03.2019	31.03.2018
Finance charges on financial liabilities at amortised cost		
Foreign currency term loans	**3,034.00**	2,774.92
Rupee term loans	**47,361.19**	35,871.45
Less: Interest received from banks and others	**157.07**	245.44
	50,238.12	**38,400.93**
Unwinding of discount on vendor liabilities	**696.12**	7,435.98
Other borrowing costs		
Others	**486.69**	358.03
	486.69	**358.03**
Sub-Total	**51,420.93**	46,194.94
Less: Transferred to expenditure during construction period (Net) - Note 23	**51,420.93**	46,194.94
Total	**-**	**-**

a) Other borrowing costs includes exchange difference recognised as borrowing cost INR 442.86 Lakh (31st March 2018 INR 97.51 Lakh).

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22. Generation, Administration & other expenses

Amount in ₹ Lakhs

For the year ended		31.03.2019		31.03.2018
Power charges	693.59		3,098.80	
Less: Recovered from contractors & employees	102.59		139.38	
		591.00		2,959.42
Water charges		53.50		1.29
Rent		8.40		8.21
Repairs & maintenance				
Buildings		658.60		463.41
Plant & machinery		964.39		162.96
Others		129.04		153.51
Insurance		110.83		146.19
Rates and taxes		40.23		0.04
Training and Recruitment expenses		8.34		13.83
Professional Charges & Consultancy fee		92.96		55.52
Communication expenses		137.54		90.14
Travelling expenses		511.01		379.28
Tender expenses	37.53		65.51	
Less: Receipt from sale of tenders	1.20		0.53	
		36.33		64.98
Payment to auditors (refer details below)		3.44		3.75
Advertisement and publicity		20.25		5.00
Security expenses		2,020.33		1,687.40
Expenses for guest house	104.93		120.51	
Less: Recoveries	16.28		8.50	
		88.65		112.01
Education Expenses		29.83		46.89
Books and periodicals		1.33		0.83
Legal expenses		246.44		104.39
EDP hire and other charges		36.12		38.14
Printing and stationery		15.77		9.75
Hire Charge of Construction equipment		66.94		203.13
Hiring of vehicles		365.72		269.19
Bank charges *		(1,623.69)		3,643.70
Miscellaneous expenses		204.50		170.02
Entertainment Expenses		19.92		10.81
Horticulture Expenses		57.27		45.34
		4,894.99		10,849.13
Less: Transferred to expenditure during construction period (Net) - Note 23		4,883.21		10,830.26
		11.78		18.87

a) Details in respect of payment to auditors:

	31.03.2019	31.03.2018
As auditor		
Audit fee	2.01	1.72
Tax Audit Fees	0.94	0.73
Reimbursement of expenses	0.31	1.30
Certification fees	0.18	-
	3.44	3.75

* Net of reversal of INR 1628.89 Lakh .

23. Expenditure during construction period (net)

Amount in ₹ Lakhs

For the year ended		31.03.2019		31.03.2018
A. Employee benefits expense				
Salaries and wages		7718.36		6,810.44
Contribution to provident and other funds		1614.53		1,325.42
Staff welfare expenses		945.74		445.41
Total (A)		10,278.63		8,581.27
B. Finance Cost				
Interest on Foreign currency term loan	3034.00		2,774.92	
Interest of Rupee Term Loan	47361.19		35,871.45	
Unwinding of discount on vendor liabilities	696.12		7,435.98	
Other Borrowing Cost	486.69		358.03	
	51,578.00		46,440.38	
Less interest received from banks and others	157.07		245.44	
Total (B)		51,420.93		46,194.94
C Depreciation and amortisation		840.44		793.34
D. Generation , administration and other expenses				
Power charges	693.59		3,098.80	
Less: Recovered from contractors & employees	102.59		139.38	
		591.00		2,959.42
Water charges		53.50		1.29
Rent		8.40		8.21
Repairs & maintenance				
Buildings	658.60		463.41	
Plant and machinery	964.39		162.96	
Others	129.04		153.51	
		1,752.03		779.88
Insurance		110.83		146.19
Rates and taxes		40.23		0.04
Professional charges & Consultancy fee		92.96		54.16
Communication expenses		137.54		90.14
Travelling expenses		511.01		379.28
Tender expenses	37.53		65.51	
Less: Income from sale of tenders	1.20		0.53	
		36.33		64.98
Advertisement and publicity		20.25		5.00
Security expenses		2020.33		1,687.40
Guest house expenses	104.93		120.51	
Less: Receipts from Guest House	16.28		8.50	
		88.65		112.01
Education Expenses		29.83		46.89
Books and periodicals		1.33		0.83
Legal expenses		246.44		104.39
EDP hire and other charges		36.12		38.14
Printing and stationery		15.77		9.75
Miscellaneous expenses		261.77		215.43
Hire of Construction Equipment		66.94		203.13
Hiring of Vehicles		365.72		269.19
Bank Charges (Net)		-1623.69		3,643.70
Entertainment expenses		19.92		10.81
Total (D)		4,883.21		10,830.26
Total (A+B+C+D)		67,423.21		66,399.81
E. Less: Other income				
Other income		1173.46		283.14
Total (E)		1,173.46		283.14
Grand Total (A+B+C+D-E+F)*		66,249.75		66,116.67

*** Carried to capital work-in-progress - (Note 2(a))** 66249.75 66116.67

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24. Disclosure as per Ind AS 33 on 'Earnings per Share'

Basic and diluted earnings per share

In ₹

	31 March 2019	31 March 2018
Basic and diluted earnings per share		
From operations including regulatory deferral account balances (a)	(0.01)	(0.00)
From regulatory deferral account balances (b)	-	-
From operations excluding regulatory deferral account balances (a)-(b)	(0.01)	(0.00)
Nominal value per share	10	10

Amount in ₹ Lakh

(a) Profit attributable to equity shareholders (used as numerator)

	31 March 2019	31 March 2018
From operations including regulatory deferral account balances (a)	(215.36)	(18.87)
From regulatory deferral account balances (b)	-	-
From operations excluding regulatory deferral account balances (a)-(b)	**(215.36)**	**(18.87)**

(b) Weighted average number of equity shares (used as denominator)

	31 March 2019	31 March 2018
Opening balance of issued equity shares	2418659600	2,33,28,79,600
Effect of shares issued during the year, if any	2,57,53,425	3,10,21,808
Weighted average number of equity shares for Basic EPS	**2,44,44,13,025**	**2,36,39,01,408**
Effect of dilution	-	-
Weighted average number of equity shares for Diluted EPS	**2,44,44,13,025**	**2,36,39,01,408**

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25. Disclosure as per Ind AS -19 on' Employee Benefits'

Defined Contribution plans

In accordance with Significant Accounting Policy no. C.12, an amount of INR 1266.52 Lakh (31 March 2018: INR 922.29 Lakh) towards provident fund, gratuity, post retirement medical facilities, and other terminal benefits, and INR 355.61 Lakh (31 March 2018: INR 293.48 Lakh) towards leave and other benefits is paid/payable to the Promoter Company, and included under 'Employee benefit Expenses' (Note-20) - Contribution to provident and other funds.

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26. Disclosure as per Ind AS 17 on 'Leases'

a) Operating leases

Leases as lessee

a) The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps for a period generally of one years. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note 20 - Employee benefits expense includes INR 7.08 Lakh (31 March 2018: INR 26.68 Lakh) towards lease payments (net of recoveries) in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps amounting INR 8.40 Lakh (31 March 2018: INR 8.21 Lakh) are included under 'Rent' in Note 22 – 'Generation, administration and other expenses'.

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27. Contingent liabilities and commitments

Contingent liabilities

a. Claims against the company not acknowledged as debts

1. Capital works

(i) One of the contractors for execution of works at the project had lodged a claim on the Company before the Arbitrator for INR 6313.50 Lakh (including interest) (31 March 2018: INR 5822.42 Lakh) seeking enhancement of the contract prices, etc.Further an additional claim of Rs. 8575.30 Lakh made during the year. This claim has been contested by the Company as being not admissible in terms of the provisions of the contracts. It is not practicable to make a realistic estimate of the outflow of resources if any for settlement, pending resolution. The contract has since been terminated by the company on account of sustained delay and non execution of the work, and the Company has made counter claim of Rs. 20756.42 Lakh. The bank guarantees for advance, performance and additional performance security have been invoked by the Company, and the net proceeds of the same have been retained by the Company, pending completion of balance works of the package and determination of amount to be recovered from the non performing contractor.

(ii) One of the Contractor of Unit-1 & 2 has lodged a claim of INR 11,888.80 Lakh on account of delay in getting fronts and also on account of interest, hire charges, idle man-power, storage etc. The claim has been contested by the Company. The claim is under examination by the committee.

(iii) Possible reimbursement in respect of (i) to (ii) above
The contingent liabilities referred to in (i) & (ii) above, payments, if any, by the Company on settlement of the claims would be eligible for inclusion in the capital cost for the purpose of determination of tariff as per CERC Tariff Regulations subject to prudence check by the CERC.

2. Land compensation cases

In respect of land acquired for the project, the land seller have claimed higher compensation and other claims before various authorities/courts which are yet to be settled. In such cases, contingent liability of INR 362.57 Lakh (31 March 2018: INR 722.24 Lakh) has been estimated.

3. Disputed tax matters

Disputed Income Tax/Sales Tax/Excise matters are pending before various Appellate Authorities amounting to INR 1099.55 Lakh (31 March 2018: INR 550.87 Lakh) inclusive of interest are disputed by the Company and contested before various Appellate Authorities.

4. Other

i) In respect of claims made by district magistrate Allahabad for demand of royalty for use of excavated rocks etc. contingent liabilities of INR 5127.46 Lakh (31 March 2018: INR 3,880.03 Lakh).

The Company received demand letter no. 1294/Khanji/2018-19 dated 22/09/2018 from District Magistrate, Allahabad for Rs. 5127.46 Lakh on account of royalty revising its previous claim and further demand of Rs 27135.03 Lakh made against pit mouth value of minor minerals which is not sustainable as per the UP Minor Minerals Act'1963, hence not cosnsidered as contingent liability.

ii) In respect of recovery notice of Deputy Labour commissionar Allahabad state by the Hon'ble court Allahabad ,contingent liability has been estimated at INR 18.14 Lakh (31 March 2018: INR 18.14 Lakh)

5. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31 March 2019 is INR 155813.93 Lakh (31 March 2018: INR 173210.81 Lakh).

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28. Fair Value Measurements

(a) Financial instruments by category

Amount in ₹ Lakhs

Particulars	31 March 2019			31 March 2018		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Trade receivables	-	-	832.95	-	-	129.05
Cash and cash equivalents	-	-	7,960.34	-	-	5,211.77
Other financial assets	-	-	19.68	-	-	2.12
	-	-	8,812.97	-	-	5,342.94
Financial liabilities						
Borrowings	-	-	6,82,198.96	-	-	5,52,677.27
Trade payables	-	-	5,468.46	-	-	4,144.05
Payable for capital expenditure			72,556.34	-		76,572.26
Other financial liabilities	-	-	19,902.49	-	-	15,136.23
	-	-	7,80,126.25	-	-	6,48,529.81

(b) 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 values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard as detailed here under:

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. The fair value of financial assets and liabilities included in Level 3 is determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes of similar instruments.

Discounted cash flow analysis has been used as valuation technique to determine fair value of the financial instruments.

('c) Fair value of financial assets and liabilities measured at amortised cost

Amount in ₹ Lakhs

Particulars	Level	31 March 2019		31 March 2018	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities					
Rupee term loans	3	5,80,057	5,48,167	4,56,038	4,11,035
Foreign currency loans	3	91,147	91,147	88,618	88,618
Payable for capital expenditure	3	2,666	2,667	3,001	2,957
		6,73,870	6,41,981	5,47,657	5,02,610

The carrying amounts of short term trade payables, capital creditors and cash and cash equivalents are considered to be the same as their fair values, due to their short-term nature.

The company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. Further the company is not exposed to risk of variable rate instrument as there in no change in credit rating status of the company.The fair values of non-current borrowings, and capital creditors are based on discounted cash flows using a current borrowing rate. They are classified at respective level based on availability of observable / non observable market inputs.

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28. Financial Risk Management

The Company's principal financial liabilities comprise loans and borrowings in foreign as well as domestic currency, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and short-term deposits and other receivables that derive directly from its operations.

The Company is exposed to the following risks from its use of financial instruments:
- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

Risk management framework

The Company's activities makes it susceptible to various risks. The Company has taken adequate measures to address such concerns by developing adequate systems and practices. The Company's overall risk management program focuses on the unpredictability of markets and seeks to manage the impact of these risks on the Company's financial performance.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

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28. Financial Risk Management

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from cash & cash equivalents and deposits with banks and financial institutions.

Cash and cash equivalents

The Company held cash and cash equivalents of INR 7960.34 Lakh (31 March 2018: INR 5,211.77 Lakh). The cash and cash equivalents are held with banks with high rating.

Deposits with banks and financial institutions

The company held deposits with banks and financial institutions of INR Nil (31 March 2018: INR Nil Lakh).

(i) Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:

Amount in ₹ Lakhs

Particulars	31 March 2019	31 March 2018
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Cash and cash equivalents	7,960.34	5,211.77
Deposits with banks and financial institutions	-	-
Other current financial assets	19.68	2.12
Total	7,980.02	5,213.89

(ii) Provision for expected credit losses

Financial assets for which loss allowance is measured using 12 month expected credit losses

The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised during these years.

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28. Financial Risk Management

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Amount in ₹ Lakhs

Particulars	31 March 2019	31 March 2018
Fixed-rate borrowings		
Foreign currency loans	9,281.14	8,414.54
Floating-rate borrowings		
Term loans	80,742.61	2,04,761.63
Foreign currency loans	451.13	1,060.90
Total	**90,474.88**	**2,14,237.07**

(ii) Maturities of financial liabilities

The following are the contractual maturities of derivative and non-derivative financial liabilities, based on contractual cash flows:

31 March 2019

Amount in ₹ Lakhs

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Term loans from banks	-	-	29002.87	87008.61	464045.91	5,80,057.39
Foreign currency loans	-	3,774.64	7,549.28	15,098.56	64,724.27	91,146.75
Trade and other payables	16,039.77	79,221.55	1,381.69	1,284.28	-	97,927.29

31-Mar-18

Amount in ₹ Lakhs

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Term loans from banks	-	-	11,013.33	2,20,266.66	2,24,758.37	4,56,038.37
Foreign currency loans	-	8,174.42	8,174.42	40,872.11	31,396.58	88,617.54
Trade and other payables	10,588.45	24,141.59	61,324.54	-	-	96,054.58

28. Financial Risk Management

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of directors is responsible for setting up of policies and procedures to manage market risks of the company.

Currency risk

The Company is exposed to foreign currency risk on certain transactions that are denominated in a currency other than entity's functional currency, hence exposure to exchange rate fluctuations arises. The risk is that the functional currency value of cash flows will vary as a result of movements in exchange rates.

The Company executes import agreements for the purpose of purchase of capital goods. Further, company has taken some foreign currency borrowings for execution of the projects. Any exchange differences on account of such transactions are recoverable from beneficiaries as per the CERC regulations. Hence, the exposure for foreign exchange gain/loss on such transaction is considered to be insignificant.

The currency profile of financial assets and financial liabilities as at March 31, 2019 and March 31, 2018 are as below:

31 March 2019 — Amount in ₹ Lakhs

Particulars	USD	EURO	JPY	Others	Total
Financial liabilities					
Foreign currency loans	13,885.28	-	77,261.46	-	91,146.74
Trade and other payables	2,922.43	12,838.25	7,654.74	9.53	23,424.95
Total	**16,807.71**	**12,838.25**	**84,916.20**	**9.53**	**1,14,571.69**

31 March 2018 — Amount in ₹ Lakhs

Particulars	USD	EURO	JPY	Others	Total
Financial liabilities					
Foreign currency loans	13,061.36	-	75,556.18	-	88,617.54
Trade and other payables	3,835.85	29,453.05	11,365.17	44.96	44,699.03
Total	**16,897.21**	**29,453.05**	**86,921.35**	**44.96**	**1,33,316.57**

Sensitivity analysis

As per the CERC regulations, the gain/loss on account of exchange rate variations on all long term and short term (up to COD) foreign currency monetary items is recoverable from beneficiaries. Hence, the impact of strengthening or weakening of Indian rupee against USD, Euro, JPY and other currencies on the statement of profit and loss would not be very significant. Therefore, sensitivity analysis for currency risk is not disclosed.

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28. Financial Risk Management

Interest rate risk

The Company is exposed to interest rate risk arising mainly from long term borrowings with floating interest rates because the cash flows associated with floating rate borrowings will fluctuate with changes in interest rates.

At the reporting date the interest rate profile of the Company's interest-bearing financial instruments is as follows:

Amount in ₹ Lakhs

Particulars	31 March 2019	31 March 2018
Financial Assets		
Fixed-rate instruments		
Cash & Cash Equavalent -Deposits with original maturity of less than 3 months	5,963.53	2,079.74
Total	5,963.53	2,079.74
Financial Liabilities		
Fixed-rate instruments		
Foreign currency loans	85,592.63	83,421.23
	85,592.63	83,421.23
Variable-rate instruments		
Foreign currency loans/notes	5,554.11	5,196.31
Rupee term loans	5,80,057.39	4,56,038.90
	5,85,611.50	4,61,235.21
Total	6,71,204.13	5,44,656.44

Fair value sensitivity analysis for fixed-rate instruments

The company's fixed rate instruments are carried at amortised cost. They are therefore not subject to interest rate risk, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

The company is not exposed to risk of variable rate instrument as actual interest incurred during construction period are eligible for capitalisation. Further after declaration of the commercial operation date, actual interest incurred on normative loan is recoverable from beneficiaries as fixed charge as per CERC Regulations. A change of 50 basis points in interest rates at the reporting date would have increased (decreased) cash flow by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

Amount in ₹ Lakhs

	Cash Flow (Increase in outflow) / (Reduction Inflow)	
	50 bp increase	**50 bp decrease**
31 March 2019		
Foreign currency loans	(456)	456
Rupee term loans	(2,900)	2,900
	(3,356)	3,356
31 March 2018		
Foreign currency loans	(444)	444
Rupee term loans	(2,280)	2,280
	(2,724)	2,724

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29. Capital Management

The Company's objectives when managing capital are to:

- safeguard its ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders and
- maintain an appropriate capital structure of debt and equity.

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity. The Board of Directors also monitors the level of dividends to equity shareholders.

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

The Company monitors capital using gearing ratio which is net debt divided by total equity. Net debt comprises of long term and short term borrowings less cash and cash equivalent. Equity includes equity share capital and reserves that are managed as capital. The gearing ratio at the end of the reporting periods was as follows:

Amount in ₹ Lakhs

	31 March 2019	31 March 2018
Total Borrowings	6,67,429.49	5,44,656.44
Less : Cash and cash equivalent	7,960.34	5,211.77
Net debt	6,59,469.15	5,39,444.67
Total equity	2,67,949.70	2,47,165.06
Net debt to equity ratio	2.46	2.18

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30. Disclosure as per Indian Accounting Standard - 24 on 'Related Party Disclosures'

a) **List of Related parties:**

i) Jointly Controlled by Government Entities
NTPC Limited and UPRUVN Limited with 50% shareholding of each party

ii) Joint Ventures of Promoters Company (NTPC Limited)
1. Utility Powertech Ltd.

iii) Key Managerial Personnel (KMP):

Shri S Roy	**Chairman wef 20.12.2017**
Shri K Biswal	**Chairman Upto 20.12.2017**
Shri Atul Nigam	**Non Executive director Upto 24.06.2017**
Shri S C Pandey	**Non Executive director Upto 31.08.2017**
Shri R S Rathee	**Non Executive director Upto 27.04.2018**
Shri Mohit Bhargav	**Non Executive director wef 22.09.2017**
Shri Sudhanshu Dwivedi	**Non Executive director wef 16.05.2017**
Shri Subir Chakratorty	**Non Executive director wef 20.11.2017**
Shri B S Tiwari	**Non Executive director wef 01.02.2017**
Shri K K Singh	**Non Executive director wef 02.05.2018**
Shri Rakesh Samuel	**Chief Executive Officer Upto 28.02.2019**
Shri A.K. Samanta	**Chief Executive Officer wef 11.03.2019**
Shri Arun Kumar	**Company Secretary**

iii) Entities under the control of the same government:
The Company is a Joint Venture of Central Public Sector Undertakings (CPSUs) controlled by Central Government and state government entity. Pursuant to Paragraph 25 & 26 of Ind AS 24, entities over which the same government has control or joint control of, or significant influence over, then both the reporting entity and other entities shall be regarded as related parties. 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 are RITES Limited, BHEL, SAIL, UPPCL, UPPTCL.

b) **Transactions with the related parties are as follows:**
A) Transaction with related parties (promoter companies and their joint ventures):

Amount in ₹ Lakhs

Particulars	**NTPC Limited and its joint ventures**		**UPRVUNL**	
	2018-19	**2017-18**	**2018-19**	**2017-18**
i) Issue of shares	**5,000.00**	4,289.00	**5,000.00**	4,289.00
ii) Application money Pending for allotment	**6,000.00**	-	**5,000.00**	-
iii) Contracts for works/services received by the Company for consultancy	**2,396.09**	1,110.52	-	-
iv) Deputation of employees	**1,384.69**	2,344.55	-	-
v) Manpower services	**20.48**	22.95	-	-
vi) Rent, Lease & other misc.	**6.45**	20.95	-	-

B) Compensation to Key management personnel

Amount in ₹ Lakhs

Particulars	**2018-19**	**2017-18**
- Short term employee benefits	62.02	41.06
- Post employment benefits	8.96	9.19
- Other long term benefits	32.53	2.46
Total Compensation to Key management personnel	**103.51**	**52.71**

C) Transactions with the related parties under the control of the same government:

Amount in ₹ Lakhs

Sl. No.	**Name of the Company**	**TYPE**	**Nature of transaction**	**2018-19**	**2017-18**
1	RITES LTD	GOI. PSU	Capital work	17,036.33	20,304.59
2	BHEL	GOI. PSU	Capital work	2,440.76	3,743.44
3	SAIL	GOI. PSU	SUPPLY STEEL	3,186.26	1,415.82
4	EED-UPPCL	UP GOV	Capital work	4,167.34	2,756.02
5	HPCL	GOI. PSU	SUPPLY OF HSD LDO ETC	1,664.66	2,253.68
6	PGCIL	GOI. PSU	CAPITAL WORK	712.32	1,879.86
7	PGCIL	GOI. PSU	OTHER	748.02	1,387.66
8	BRIDGE & ROOF CO LTD	GOI. PSU	Capital work	219.03	293.46
9	IOCL	GOI. PSU	Supply of LDO	2,812.88	2,482.59
10	IOCL	GOI. PSU	Capital work	-	39.89
11	SECL	GOI. PSU	OTHER	1,784.70	965.47
12	BPCL	GOI. PSU	OTHER	-	-
13	BEML LIMITED	GOI. PSU	Supply	354.53	12.95
14	DFCCIL	GOI. PSU	Freight	27.14	-
15	UPPTCL SLDC	UP GOV	Sale of Power	2,128.85	-

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c) A) **Outstanding balances receivable from related parties are as follows:**

Amount in ₹ Lakhs

Particulars			31 March 2019	31 March 2018
1	NTPC Ltd	For purchase of goods & services	1.24	-
2	UPL	For purchase of goods & services	2.08	0.96
3	RITES LTD	For purchase of goods & services	104.23	112.18
4	BHEL	For purchase of goods & services	20.91	4.44
5	BRIDGE & ROOF CO LTD	For purchase of goods & services	65.91	66.26
6	UPPTCL SLDC	For Sale of Power	832.95	-
7	South Eastern Coalfield Limited	For Coal Procurement	27.22	-

B) **Outstanding balances payable to related parties are as follows:**

Amount in ₹ Lakhs

Particulars			31 March 2019	31 March 2018
1	NTPC Ltd	For services consultancy & others	2,060.75	118.90
2	NTPC Ltd	For deputation of employees	1,359.40	957.27
3	UPL	For manpower services	381.06	139.14
4	BRIDGE & ROOF CO LTD	For services & others	441.24	382.34
5	SAIL	For supply of steel	687.97	532.42
6	BHEL	For capital work	4,594.00	4,839.16
7	RITES LTD	For capital work	1,091.15	940.10
8	PGCIL	For services & others	18.97	18.44

d) **Terms and conditions of transactions with the related parties:**

(1) Transactions with the related parties are made on normal commercial terms and conditions and at market rates.
The Company is assigning jobs on contract basis, for sundry works in plants/stations/offices to M/s Utility Powertech Ltd (UPL), a 50:50 joint venture between the Company and Reliance Infrastructure Ltd. UPL inter-alia undertakes jobs such as overhauling, repair, refurbishment of various mechanical and electrical equipments of power stations. The Company has entered into Power Station Maintenance Agreement with UPL from time to time. The rates are fixed on cost plus basis after mutual discussion and after taking into account the prevailing market conditions.

(2) Consultancy services received by the Company from the promoter company are generally on nomination basis at the terms, conditions and principles applicable for consultancy services provided to other parties.

(3) All employees of the company are on secondment basis from the promoter company (NTPC Limited) on 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 reimbursable to NTPC Limited.

(4) Outstanding balances from/to related parties at the year-end, are unsecured and interest free and settlement occurs through banking transaction.

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31. Disclosure as per Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets'

Movements in provisions:

Amount in ₹ Lakhs

Particulars	Provision for obligations incidental to land acquisition		Other	
	31 March 2019	31 March 2018	31 March 2019	31 March 2018
Carrying amount at the beginning of the year	1,572.45	3,302.08	211.26	-
Additions during the year		-	-	211.26
Amounts used during the year	(377.30)	(1,729.63)	-	-
Reversal / adjustments during the year		-	(112.96)	-
Carrying amount at the end of the year	1,195.15	1,572.45	98.30	211.26

i) Provision for obligations incidental to land acquisition

Provision for obligations incidental to land acquisition includes expenditure on rehabilitation & resettlement (R&R) including the amounts payable to the project affected persons (PAPs) towards land, expenditure for providing community facilities and expenditure in connection with environmental aspects of the project. Company has estimated the provision based on the Rehabilitation Action Plan (RAP) approved by the board/competent authority or agreements/directions/demand letters of the local/government authorities. The outflow of said provision is expected to be incurred immediately on fulfilment of conditions by the land oustees/ demand letters of the local/government authorities.

ii) Other Provision

Includes provision for long service award and farewell gift to employees and other contingencies.

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32. Disclosure as per Ind AS 114, 'Regulatory Deferral Accounts'

(i) Nature of rate regulated activities

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 Central Electricity Regulatory Commission (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.

The Company is eligible to apply Ind AS 114, Regulatory Deferral Accounts. The standard permits an eligible entity to continue previous GAAP (Guidance Note on accounting for Rate Regulated Activities) accounting policy for its regulatory deferral account balances. Hence, Company has opted to continue with its previous GAAP accounting policy for such balances.

(ii) Recognition and measurement

As per the CERC Tariff Regulations, any gain or loss on account of exchange risk variation during the construction period shall form part of the capital cost from declaration of Commercial Operation Date (COD) to be considered for calculation of tariff. CERC during the past period in tariff orders for various stations has allowed exchange differences incurred during the construction period in the capital cost. Accordingly, exchange difference arising during the construction period is within the scope of Ind AS 114.

In view of the above, exchange differences arising from settlement/translation of monetary item denominated in foreign currency to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized on an undiscounted basis as 'Regulatory asset/liability' by credit/debit to 'Regulatory income/expense' during construction period and adjusted from the year in which the same becomes recoverable from or payable to the beneficiaries.

(iii) Risks associated with future recovery of rate regulated assets:

(i) demand risk due to changes in consumer attitudes, the availability of alternative sources of supply

(ii) regulatory risk on account of submission or approval of a rate-setting application or the entity's assessment of the expected future regulatory actions

(iii) other risks including currency or other market risks, if any

(iv) Reconciliation of the carrying amounts:

The regulated assets/liability recognized in the books to be recovered from or payable to beneficiaries in future periods are as follows:

Amount in ₹ Lakhs

Particulars	31 March 2019	31 March 2018
A. Opening balance	**346.90**	**1,008.58**
B. Addition during the year	(193.41)	(661.68)
C. Amount collected/refunded during the year	-	-
D. Movements in regulatory deferral account balances	-	-
E. Closing balance	**153.49**	**346.90**

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33. Information in respect of micro and small enterprises as at 31st March 2019 as required by Micro, Small and Medium Enterprises Development Act, 2006

Amount in ₹ Lakhs

Particulars	31 March 2019	31 March 2018
a) Amount remaining unpaid to any supplier:		
Principal amount	348.41	489.35
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	-	-

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34. Reclassifications 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, statement of profit and loss, and statement of cash flows, the details of which are as under:

₹ Lakhs

Items of balance sheet before and after reclassification

Sl. No.	Particulars	Before reclassification (As on 31/03/2018)	Reclassification	After reclassification
1	Trade Payables	4,750.02	(3,606.85)	1,143.17
	Other financial liabilities	88,303.68	3,404.81	91,708.49
	Provisions	1,581.67	202.04	1,783.71

₹ Lakhs

Items of statement of cash flows before and after reclassification

Sl. No.	Particulars	Before reclassification (As on 31/03/2018)	Reclassification	After reclassification
2	Trade Payables	3,332.81	(3,606.85)	(274.04)
	Other financial liabilities	12,159.61	3,404.81	15,564.42
	Provisions	(1,720.41)	202.04	(1,518.37)

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35. Balance Confirmation etc.

a) The Company has a system of obtaining periodic confirmation of balances from other parties and banks for bank balances and borrowings. 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. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters 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.

b) In the opinion of the management, the value of assets, other than property, plant and equipment on realization in the ordinary course of business will not be less than the value at which these are stated in the Balance Sheet.

36. Recent accounting pronouncements

Ind AS 115 'Revenue from Contracts with Customers'

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.
The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018.The Company will adopt the standard by using the cumulative effect method on commercial operation of the unit / station.

For & on behalf of the Board of Directors

Arun Kumar	Navneet Goel	A.K. Samanta	Subir Chakravorty	S.Roy
Company Secretary	HOF	CEO	Director	Chairman

These are the notes referred to in Balance Sheet and Statement of Profit & Loss.

For Rakhecha & Co
Chartered Accountants
Firm Reg. No. 002990N

(Anil Kumar)
Partner
M No. 518544

Place: New Delhi
Dated: 20.05.2019