MEJA URJA NIGAM PRIVATE LIMITED

(A Joint Venture Company of NTPC and UPRVUNL)

ANNUAL REPORT
2019-2020

Corporate Identity No. : U74900DL2008PTC176247

BOARD OF DIRECTORS

Shri Anil Kumar Gautam	Chairman
Shri Mohit Bhargava	Director
Shri Ajit Kumar Tewary	Director
Shri Sanjay Tewary	Director
Shri Debashis Sen	Director
Shri Bibhu Prasad Mahapatra	Director

Chief Executive Officer
Shri Asim Kumar Samanta

Company Secretary
Shri Arun Kumar

Registered Office:
NTPC Bhawan, Core-7,
SCOPE Complex, Institutional Area,
Lodhi Road, New Delhi-110 003

Financer : a) Power Finance Corporation Limited
b) State Bank of India
c) Panjab National Bank

Auditor : *M/s Rakhecha & Co.*

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MEJA URJA NIGAM PRIVATE LIMITED
(CIN: U74900DL2008PTC176247)

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 12th ANNUAL GENERAL MEETING of Meja Urja Nigam Private Limited will be held on **Thursday, September 10, 2020 at 5.00 P.M.**through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), at the Registered Office of the Company at NTPC Bhawan, Core-7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110 003 to transact the following business:

Ordinary Business

1. To receive, consider and adopt the Financial Statement of the Company for the year ended 31st March, 2020 together with Directors' Report and Auditors' Report thereon.
2. To fix the remuneration of Auditors.

Special Business

3. Ratification of the remuneration of the Cost Auditors for the financial year 2020-21

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:

"Resolved that pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof), the Company hereby ratifies the remuneration of Rs. 1,00,000/- (Rupees One Lakh only) as approved by the Board of Directors payable to M/s. Biman Pada Pal, Cost Accountant as Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2020-21.

Resolved further that the Board of Directors of the Company be and is hereby authorised to do all acts, deeds, matters and things as may be considered necessary, desirable or expedient for giving effect to this resolution."

By order of the Board of Directors

(Arun Kumar)
Company Secretary
ACS-23236

Place: New Delhi
Dated: 10th September 2020

Notes:

1. **A PURSUANT TO THE PROVISIONS OF THE ACT, A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. SINCE THIS AGM IS BEING HELD PURSUANT TO THE MCA CIRCULARS THROUGH VC/OAVM, THE REQUIREMENT OF PHYSICAL ATTENDANCE OF MEMBERS HAS BEEN DISPENSED WITH. ACCORDINGLY, IN TERMS OF THE MCA CIRCULARS, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THIS AGM AND HENCE, THE PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP OF AGM ARE NOT ANNEXED TO THIS NOTICE**.
2. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in regard to the business as set out in Item Nos.3 above as required under Secretarial Standard-2 on General Meetings issued by The Institute of Company Secretaries of India, are annexed hereto.
3. In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a prerequisite and pursuant to the Circular No.14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the 12th AGM of the Company is being conducted through VC/OAVM facility which does not require physical attendance of the Members at a common venue. The deemed venue for the AGM shall be the registered office of the Company.
4. In terms of Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, since the physical attendance of members has been dispensed with, the facility of appointment of proxies by members under section 105 of the Act will not be available for this AGM. However, in pursuance of section 112 and section 113 of the Act, authorised representatives of the members may be appointed for the purpose of participation and voting in the AGM through VC/OAVM.
5. Pursuant to the MCA circulars, in view of the prevailing situation, owing to the difficulties involved in despatching physical copies, the notice of the 12th AGM are being sent only by email to the members at their email addresses available with the Company.
6. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020.
7. Section 139(5) of the Companies Act, 2013 provides that in the case of a Government Company or any other company owned or controlled, **directly or indirectly**, by the Central Government, or by any State Government or Governments, or partly by the Central Government and partly by one or more State Governments, the Comptroller and Auditor-General of India (C&AG) shall, in respect of a financial year, appoint an auditor duly qualified to be appointed as an auditor of Companies under this Act, within a period of one hundred and eighty days from the commencement of the financial year, who shall hold office till the conclusion of the Annual General Meeting. Both, NTPC Limited and Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited, who hold 50% each in the share capital of

Meja Urja Nigam Private Limited, are Government Companies within the meaning of Section 2(45) of the Companies Act, 2013.

The members of the Company in the 11th Annual General Meeting held on 12th September, 2019 had authorized the Board of Directors to fix an appropriate remuneration of statutory auditors for the year 2019-20 after taking into consideration the increase in volume of work and prevailing inflation. Accordingly, the Board of Directors of the Company, in its 57rd Meeting held on 8th June, 2020, approved statutory audit fee of ₹ 2,25,000/- plus applicable service tax and out of pocket expenses to the Statutory Auditors i.e. M/s Rakhecha & Co. ,Chartered Accountants, New Delhi appointed by the C&AG for the financial year 2019-20.

Further, C&AG has appointed M/s Rakhecha & Co. ,Chartered Accountants, New Delhi as the Statutory Auditors of the Company for the financial year 2020-21 as prescribed under provisions of Section 139(5) of the Companies Act, 2013. Further, Section 142 of the Companies Act, 2013 provides that the remuneration of the auditor of a company shall be fixed in its general meeting or in such manner as may be determined therein Hence, the members may kindly authorize the Board to fix up an appropriate remuneration of Statutory Auditors for the financial year 2020-21, after taking into consideration the volume of work and prevailing inflation.

8. All Relevant documents referred to in the Notice and the accompanying Statement are open for inspection by the members at the Registered Office of the Company on all working days, during business hours up to the date of the Meeting.

9. Instructions for members participating in the 12th AGM through VC/OAVM facility are as under:

- Members may attend the AGM, by following the invitation link sent to their registered email ID. Members will be able to locate Meeting ID and JOIN MEETING tab. By Clicking on JOIN MEETING they will be redirected to Meeting Room via MS Team browser or by running Temporary Application. Members are encouraged to join the Meeting through Laptops for better experience.

- In case of Android/Iphone connection, participants will be required to download and Install the appropriate application as given in the mail to them. Application may be downloaded from Google Play Store/ App Store.

- Further Members will be required to allow Camera and use Internet audio settings as and when asked while setting up the meeting on Mobile App.

10. None of the Directors of your Company is in any way related with each other.

By order of the Board of Directors

(Arun Kumar)
Company Secretary
ACS-23236

Place: New Delhi
Dated: 10th September 2020

To

ALL SHAREHOLDERS, DIRECTORS AND AUDITORS

<u>Annexure to Notice</u>

Explanatory statement pursuant to Section 102 of the Companies Act, 2013

Item No. 3

As per Rule 14 of Companies (Audit and Auditors) Rules, 2014 read with section 148(3) of the Companies Act, 2013, the remuneration shall be considered and approved by the Board of Directors and ratified subsequently by the shareholders.

Board of Directors of the Company, in its 57th meeting held on 8th June, 2020 has appointed M/s. Biman Pada Pal, Cost Accountant as Cost Auditors of the Company for the financial year 2020-21. The Board has also approved that the cost audit fees of Rs. 1,00,000/- (exclusive of applicable taxes) and traveling and daily allowance as per their entitlement in NTPC i.e. one of our parent Company, be paid for the cost audit for the financial year 2020-21 subject to subsequent ratification of the remuneration by the shareholders.

The Board commends the Resolution at Item No.4 of the accompanying Notice for ratification by the Members of the Company.

Accordingly, members are requested to approve the remuneration payable to the Cost Auditors for the financial year 2020-21.

None of the Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the resolution for your approval.

By order of the Board of Directors
For Meja Urja Nigam Private Limited

(Arun Kumar)
Company Secretary
ACS No:23236

Place: New Delhi
Dated: 10th September 2020

Registered Office:
NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110003
CIN No- U74900DL2008PTC176247, Tel: 011-24387431

MEJA URJA NIGAM PRIVATE LIMITED

Directors' Report

To
The Members,

Your Directors are pleased to present 12th Annual Report on the working of the Company together with Audited Financial Statements, Auditors' Report and Review by the Comptroller & Auditor General of India for the financial year ended on 31st March 2020.

FINANCIAL RESULTS

The financial highlights of the Company for the year ended on 31st March 2020 are as under:

Amount (₹in Lakh)

Balance Sheet items as at	**31.03.2020**	**31.03.2019**
Paid-up Share Capital	3,16,327.96	2,51,865.96
Reserves and Surplus	(55,684.48)	5,083.74
Share Application Money Pending Allotment	-	11,000.00
Non-current liabilities	7,40,151.67	6,70,095.46
Current liabilities	1,54,330.38	1,00,121.55
Regulatory deferral account credit balances	14,933.57	153.49
Non-current assets	11,03,903.53	10,21,980.71
Current assets	66,155.57	16,339.49
Items from the Statement of Profit and Loss for the year ended		
Total Revenue	59,737.06	-
Total Expenditure	1,22,050.91	11.78
Profit/(Loss) before tax	(62,313.85)	(11.78)
Tax Expenses (including deferred tax)	(17,519.58)	203.58
Net movement in regulatory deferral account	(15,973.95)	-
Profit/(Loss) for the year	(60,768.22)	(215.36)

MAJOR HIGHLIGHTS OF YOUR COMPANY FOR FINANCIAL YEAR 2019-20:

Your Company has made significant progress towards 2X660 MW power project being set up in Tehsil - Meja, District Prayagraj (Uttar Pradesh). During the year several significant milestones have been achieved in implementation of project including MOU targets :

- During the year your Company has declared the Commercial Operation Date (COD) of Unit#1 on 00:00 Hrs of 30.04.19.
- The erection work of Unit#2 has also progressed well and the unit has completed its Boiler Light-up on 27.11.2019, the TG was on put on barring on 23.12.2019 and Steam Blowing of the boiler was completed on 18.01.2020. The unit was synchronized with the grid on 18.03.2020. Further work for Trial Operation and COD of the unit is progressing well,

albeit the restriction put by pandemic situation. We firmly believe that the project is well poised to achieve the remaining milestones within the proposed MOU targets.

- Work of Meja loop railway siding and Viaduct are under progress. You will be happy to note that all the issues related to land acquisition have been successfully resolved in the financial year 2019-20, and there is no hindrance in completion of the Railway Siding from that standpoint.
- Coal handling system of both the streams commissioned and Ash handling system are available for handling the requirement of both the units.
- For make-up water from River Ganga, barge-mounted pumps have been supplied and under commissioning (a contingency arrangement is operational). Both the make-up water pipelines have been charged and makeup water pump house is in operation. Additional temporary arrangement for make-up water is also available from Tons River.
- Ash dyke balance works are in full swing. Flue Gas Desulphurization system is under execution to comply with the norm of MOEF.

OPERATIONAL PERFORMANCE

During the year, Unit I of your Company generated 957.26 MU of electricity. The PLF of Unit I was 17.93% and the availability factor was 26.62% on bus bar during the year. During the year, Unit I was under forced outage since 6th October 2019 due to HP Turbine rotor blades and diaphragm failure while in operation. After the rectification of the Turbine, Unit I was again made available on the bar on 26th March 2020. However, the Unit was put under Reserve Shut Down by UPSLDC due to low demand at that time and has commenced commercial generation again from 16th May 2020 onwards on getting schedule from beneficiaries.

COMMERCIAL PERFORMANCE

Your Company has tied-up 100% power for sale to state power utilities through Long Term Power Purchase Agreements (PPAs). Your Company has realised 100% of the bills raised during financial year 2019-20 in respect of 4 out of 7 beneficiaries. Efforts are being made for full realisation of dues from other beneficiaries also.

Your Company has in place a robust payment security mechanism in the form of a Letter of Credit and Tripartite agreements (TPA). TPAs have been signed amongst the State Governments, Government of India and Reserve Bank of India which assure payment of outstanding dues from State distribution utilities. TPAs have been executed from 6 out of 7 Beneficiary states/UTs

SUSTAINABILITY

Sustainability for your Company is a key enabler for strategy program. We are guided by responsible business practices in our interactions with external and internal stakeholders. We are convinced that sustainability is a business opportunity, especially in the sense of energy and resource efficiency and a key element for our aim to be the employer of choice. Responsible business practices are an essential part of the corporate world. For promoting the use of fly ash, we are conducting awareness programs. An e-auction of fly-ash done in Aug 2019 for 6.8LMTPA for two years with six parties.

- **Tree Plantation**

Our responsibility toward the environment has been one of our important missions. You shall be happy to note that in financial year 2019-20, 14,000 saplings have been planted through Social Forestry, Prayagraj. Total plantation through the mode till March 2020 is 2,25,000. Additional 12,000 plantations were done in plant and township areas in the last fiscal. Our township has been declared No-Plastic Zone in Sep 2019. Also, the first lot of plastic waste disposal done in Jan'20 to M/s Ultratech Cement Dala (a UPPCB approved party).

➢ Care for Community development

- Your Company has been at the forefront of undertaking various R&R and CD programmes to improve the general living conditions of the people in project surrounding areas. The focus of these activities has been in areas of drinking water & water conservation, health and hygiene, girls empowerment, education and capacity building and infrastructure development. Works have been carried out for regular water supply through overhead tanks, networked pipes in self resettlement colonies are being done regularly. During peak summers, drinking water had been supplied to surrounding villages through tankers. The programme of Girl Empowerment Mission and free education to select girl-students of the associate villages in the township school have been well appreciated. Skill development programmes for local youth are conducted for enhancing employability. Towards empowerment of the differently abled persons, your Company has contributed a sum of Rs.30 lakh for distribution of motored tri-cycles through the District Administration, Prayagraj.

- Medical camps are being organized regularly in the project connected areas. Consultancy of Medical Specialists like Paediatrician, Gynaecologist is also provided to the villagers. Special camps for girl students' health and hygiene campaigns have been another focus area.

- Furniture, stationery, sweaters and caps etc are provided to the govt. primary & upper primary schools situated in project vicinity. Besides these many other welfare activities like distribution of blankets, mosquito nets are also being done to villagers. Sapling distribution of fruit-bearing trees to rural households with an object of increasing green coverage of area has been carried out. We have been also conducting rural sports and cultural programmes for promoting all-round improvement in peoples' lives.

➢ Covid-19 Pandemic

The Covid-19 pandemic is the defining global health crisis of our time and is spreading very fast across the continents. But it is much more than a health crisis and is having an unprecedented impact on people and economies worldwide. The Company is taking all necessary measures in terms of mitigating the impact of the challenges being faced in the business. The Company has taken various innovative initiatives also towards financial, medical and community support in the fight against Covid-19 pandemic.

Because of the outbreak of the pandemic, the Company undertook timely and essential measures to ensure the safety and well-being of all its employees at the plant location. The Company observed all the government advisories and guidelines thoroughly and in good faith.

INFORMATION PURSUANT TO STATUTORY AND OTHER REQUIREMENTS:

Information required to be furnished as per the Companies Act, 2013 and other regulations are as under:

CAPITAL AND BORROWINGS

During the financial year 2019-20, your Company has received ₹53,462 lakh (₹26,231 lakh from NTPC Limited and ₹ 27,231 lakh from UPRVUNL, towards equity contribution of which ₹64,462 lakh (₹32,231 lakh from each promoter)) including INR 11,000 lakh share application money pending allotment has been converted into equity as on 31st March 2020, to finance the capital expenditure for the project. Shares corresponding to these equity contributions have been allotted.

Cumulatively, ₹7,54,926.18 lakh (Previous year ₹6,67,429.49 lakh) is outstanding as term Loan upto 31st March 2020, which includes ₹6,50,854.01 lakh (Previous year ₹5,80,057.39 lakh) loan from PFC and ₹1,04,072.17 lakh (Previous year ₹91,171.54 lakh) drawn as foreign currency term loan from SBI Tokyo branch in JPY and USD, which is specifically to part-finance expenditure on Steam Turbine Generator Package for the project.

Your Company during financial year 2019-20 availed working capital loan of ₹38,285.78 lakh from Punjab National Bank at 1 Year MCLR plus 20bps.

LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

The Company being an infrastructure Company, is exempt from the provisions as applicable to loans, guarantees and securities under Section 186 of the Act. No investments have been made by the Company.

DEPOSITS

Your Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year under review. Hence, the requirement for furnishing details of deposits, which are not in compliance with Chapter V of the Act, is not applicable.

STATUTORY AUDITORS' REPORT

The Statutory Auditors of your Company are appointed by the Comptroller & Auditor General of India (C&AG). The Statutory Auditors of the Company M/s Rakhecha & Co, Chartered Accountants, New Delhi has given an unqualified report on the financial statements of the Company for the financial year 2019-20. M/s Rakhecha & Co, Chartered Accountants, New Delhi has been appointed as Statutory Auditors for this financial year 2020-21 by the Comptroller & Auditor General of India (C&AG).

MEJA URJA NIGAM PRIVATE LIMITED

REVIEW BY COMPTROLLER & AUDITOR GENERAL OF INDIA

Supplementary audit of the financial statements of the year ended 31st March 2020 has been carried out by the C&AG of India u/s 143(6)(b) of the Companies Act, 2013. C&AG has given Nil comments on your Company accounts for the financial year 2019-20 vide its letter dated 30th July 2020. In line with the assurance given to C&AG of India, minor changes have been incorporated in the audited financial statements for the financial year 2019-20.

COST AUDIT

The Company is not required to carry out cost audit for the financial year 2019-20 as per the Companies Act 2013.

However, as per the Cost Audit Orders, cost audit applies to the Company's products for the financial year 2020-21 as per the Companies Act 2013. In view of the same and terms of the provisions of Section 148 and all other applicable provisions of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s. Biman Pada Pal, Cost Accountant, has been appointed as cost auditors to conduct the audit of cost records of your Company for the financial year 2020-21. The remuneration proposed to be paid to them requires the ratification of the shareholders of the Company. In view of this, your ratification for payment of remuneration to cost auditors is being sought in the ensuing AGM.

EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and on the date of this report.

EXTRACT OF ANNUAL RETURN

As per requirement of Section 92 (3), Section 134 (3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in form MGT-9 is given as **Annexure- I.**

CORPORATE SOCIAL RESPONSIBILITY

Your Company constituted the Corporate Social Responsibility Committee of the Board under the requirement of section 135 of the Companies Act, 2013. As on 31st March 2020, the Committee comprises the following members:

Shri Anil Kumar Gautam	Chairman
Shri Mohit Bhargava	Member
Shri Subir Chakraborty	Member

During the last three previous financial years the Company was not making any profits, hence, no amount was required to be spent on CSR during the financial year 2019-20 as per the requirement of the Companies Act, 2013.

Your Company for the year 2019-20 undertook the various activities under the Resettlement & Rehabilitation Plan as a responsible corporate citizen in and around the plant.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

The information on the conservation of energy, technology absorption, and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure 'III'**.

PERFORMANCE EVALUATION OF THE DIRECTORS AND THE BOARD

All the Directors are nominated by NTPC and Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited (UPRVUNL) as per the Article of Association of MUNPL. The Directors nominated by NTPC and UPRVUNL are being evaluated under a well laid down procedure for evaluation of Functional Directors & CMD of respective Board and also by the Government through DPE/Administrative Ministry of respective Government.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

As per requirement of Section 188 (2) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014, there is no Contract with related parties during the financial year therefore, no disclosure of particulars of contracts or arrangements are required to be made.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There was no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in the future. The impact of pending court cases/ arbitration cases as on 31st March 2020 has been disclosed under contingent liabilities in the Financial Statements for the financial year 2019-20.

INTERNAL CONTROL

Adequacy of internal financial controls with reference to the financial statements: The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed. The internal audit process includes review and evaluation of the effectiveness of the existing processes, controls, and compliances.

RISK MANAGEMENT

Your Company has an internal risk management structure being monitored by the Chief Executive Officer. The risks are identified and a detailed discussion comprising of the risk premise, indicators, inherent and residual values, probabilities and consequent impacts are carefully evaluated and risk mitigation plans are designed to treat existent risks. The risks are further classified into strategic, operational and tactical risks for monitoring and review.

PARTICULARS OF EMPLOYEES

As per provisions of section 197(12) of the Companies Act, 2013 read with the Rule 5(2) (i) & (ii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended vide notification dated 30th June 2016, every Company is required to include a statement in the Board's Report giving details of remuneration received by the employee who was in receipt of remuneration of ₹ 102 Lakh or more, if employed throughout the year and details of remuneration received by the employee who was in receipt of remuneration of ₹ 8.5 lakh or more, if employed for part of the year. During the year, no employee of the Company was in receipt of remuneration exceeding the prescribed limits.

Details of employees of the category falling under Section 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) 2014 as amended vide notification dated 30th June 2016, is enclosed as **Annexure-II**.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

Policy on prevention, prohibition and redressal of sexual harassment of women at workplace notified in December 2013 requires an organization employing 10 or more persons to constitute an internal complaints committee ("ICC") for hearing complaints of sexual harassment and to include in its annual report the number of cases filed with the ICC and disposed of in the previous financial year. The Company follows NTPC's policy on the prevention of sexual harassment of women to ensure a free and fair inquiry process within defined timelines. The Company has zero-tolerance for sexual harassment at the workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 No cases of sexual harassment and discriminatory employment were reported in the last financial year.

The following is a summary of sexual harassment issues raised, attended, and dispensed during financial year 19-20:

· No. of complaints received: Nil

· No. of complaints disposed off: Nil

· No. of cases pending for more than 90 days: Nil

Regional Inquiry Committee constituted by NTPC Limited for its Northern Region is also looking into any complaint relating to sexual harassment of women employees of your Company.

ESTABLISHMENT OF VIGIL MECHANISM/ WHISTLE BLOWER POLICY:

Your Company believes in upholding professional integrity and ethical behavior in the conduct of its business. To uphold and promote these standards, the Company has adopted a Whistleblower Policy and Vigil Mechanism to provide a formal mechanism to the Directors, employees and its stakeholders to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy without fear of reprisal.

Protected disclosures can be made by Whistleblower through several channels. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the designated Director. It is affirmed that no personnel of the Company has been denied access to the designated Director.

The Board of Directors of your Company has approved the Whistle Blower Policy as required under Section 177 (9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meeting of Board and its Powers) Rule, 2014.

COMPLIANCE WITH THE SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards. No disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme.
- The Company has not granted any loans, given any guarantee, or made any investments under Section 186 of the Companies Act, 2013 during the year.
- The Company has not accepted any deposits during the year.
- The Company has no subsidiary or joint venture.
- The Company has not declared any dividend during the year.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134 (5) of the Companies Act, 2013, your Directors confirm that:

i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2019-20 and of the loss of the Company for that period;

iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the Directors had prepared the Annual Accounts on a going concern basis;

v) the Directors, had laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

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

MEJA URJA NIGAM PRIVATE LIMITED

Directors' Report

INFORMATION ON NUMBER OF MEETINGS HELD OF THE MUNPL BOARD

During the financial year 2019-20, five meetings of the Board of Directors were held on 8th April 2019, 20th May 2019, 12th September 2019, 24th December 2019 and 26th February 2020.

The attendance of Directors in these Meetings are as under:

Date of the Meeting/ Name of the Director	8th April 2019	20th May 2019	12th Sept. 2019	24th Dec. 2019	26th Feb. 2020
Shri S.Roy, Chairman (upto 31.03.2020)	Yes	Yes	Yes	Yes	Yes
Shri B.S.Tiwari (upto 29.06.2019)	No	No	NA	NA	NA
Shri Sudhanshu Dwivedi (upto 30.06.2019)	No	No	NA	NA	NA
Shri Subir Chakaravorty	Yes	Yes	Yes	No	No
Shri K. K. Singh (upto 14.01.2020)	Yes	Yes	Yes	No	NA
Shri Mohit Bhargava	Yes	Yes	Yes	No	Yes
Shri Ajit Kumar Tewary (w.e.f. 30.08.2019)	NA	NA	No	Yes	Yes
Shri Sanjay Tewary (w.e.f. 30.08.2019)	NA	NA	No	No	No
Shri K.S.Rajeev (w.e.f. 21.01.2020)	NA	NA	NA	NA	Yes

NA – Not Applicable it indicates that the Director was not inducted or has ceased on the date of the Board meeting of the Company.

Meeting No.	Date of the Meeting (DD.MM.YYYY)	Total No. of Director	No. of Directors present at the Meeting	Place of Meeting
52nd	08.04.2019	6	4	Noida, UP
53rd	20.05.2019	6	4	New Delhi
54th	12.09.2019	6	4	Noida, UP
55th	24.12.2019	6	2	New Delhi
56th	26.02.2020	6	4	Noida, UP

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

Presently, the Board of Directors of the Company comprises Shri Anil Kumar Gautam, Chairman, Shri Subir Chakarvorty, Shri Debashis Sen, Shri Mohit Bhargava, Shri Sanjay Tewary and Shri A.K.Tewary as Directors.

<u>CHANGE IN BOARD OF DIRECTORS/KMPs:</u>

Following changes had been occurred in the Board of Directors and Key Managerial Personnel of the Company since the last Annual Report placed in the last Annual General Meeting dated 12th September 2019:

a) Shri Ajit Kumar Tewary appointed as Director of the Company w.e.f. 30.08.2019.

b) Shri Sanjay Tewary appointed as Director of the Company w.e.f. 30.08.2019.

c) Shri K.K.Singh ceased to be the Director of the Company w.e.f. 14.01.2020.

d) Shri K.S.Rajeev appointed as Director of the Company w.e.f. 21.01.2020 and ceased to be Director of the Company w.e.f. 31.05.2020.

e) Shri S.Roy ceased to be the Chairman & Director of the Company w.e.f. 31.03.2020.

f) Shri Anil Kumar Gautam appointed as Director and designated as Chairman of the Company w.e.f. 04.04.2020.

g) Shri Debashis Sen appointed as Director of the Company w.e.f. 17.06.2020.

h) Shri Subir Chakravorty ceased to be the Director of the Company w.e.f. 14.08.2020.

i) Shri Bibhu Prasad Mahapatra as Director of the Company w.e.f. 01.09.2020.

The Board of Directors places on record its deep appreciation for the valuable contribution made by Shri S.Roy, Shri K.K.Singh, Shri K.S.Rajeev and Shri Subir Chakravorty for their association as Directors of the Company.

ACKNOWLEDGMENT

The Directors of your Company would like to place on record their deep sense of appreciation to all shareholders, customers, business partners, contractors, suppliers, auditors, bankers, financial institutions, and lenders.

The Directors are thankful to the Government of India and the various Ministries, the State Governments and the various Ministries, the Central and State Electricity Regulatory Authorities, Corporation, Gram Panchayat and Municipal Authorities of the areas where your Company operates and the communities associated with its area of operation.

The Directors of your Company takes this opportunity to place on record their gratitude for the timely and valuable assistance and support received from NTPC Limited and UPRVUNL. We wish to place on record our appreciation for the tireless effort and contribution made by each employee at all levels to ensure that the Company continues to grow and excel.

For and on behalf of the Board of Directors

(Anil Kumar Gautam)
DIN: 08293632
CHAIRMAN

Place: New Delhi
Date: 10/09/2020

Annexure -I

Form No. MGT-9

Extract of Annual Return
as on the financial year ended on March 31, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	:	U74900DL2008PTC176247
ii)	Registration Date	:	2nd April, 2008
iii)	Name of the Company	:	Meja Urja Nigam Private Limited
iv)	Category / Sub-Category of the Company	:	Private Company / Limited by Shares
v)	Address of the Registered office and contact details	:	NTPC Bhawan, Core 7, SCOPE Complex, 7, Institutional Area, Lodi Road, New Delhi-110003 Ph. No.: 011-2436 0071 Fax No.:011-24360241 E-mail: arunkumar10@ntpc.co.in
vi)	Whether listed company Yes / No	:	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/Services	NIC code of the Product/service	% to total turnover of the Company
1	Electric power generation by coal based thermal power plant	35102	NA

*Under Construction – Company is formed for Generation of Electricity.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S.No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
		-			

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) **Indian**									
Individual	-			0.00	-			0.00	-
b)Central Govt.	-	-	-	-	-	-	-	-	-
c)State Govt.(s)	-	-	-	-	-	-	-	-	-
d)Bodies Corp.									
NTPC Limited	-	125,93,29,800	125,93,29,800	50.00	-	158,16,39,800	158,16,39,800	50.00	-

Category of Shareholders	No. of Shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
Utter Pradesh RajyaVidyut Utpadan Nigam Limited	-	125,93,29,800	125,93,29,800	50.00	-	158,16,39,800	158,16,39,800	50.00	-
e)Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	-	**251,86,59,600**	**251,86,59,600**	**100%**		**316,32,79,600**	**316,32,79,600**	**100%**	-
(2) **Foreign**									
a)NRIs- individuals	-	-	-	-	-	-	-	-	-
b)Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + A(2)	-	**251,86,59,600**	**251,86,59,600**	**100%**		**316,32,79,600**	**316,32,79,600**	**100%**	-
B. Public Shareholding									
1.Institutions									
a)Mutual Funds	-	-	-	-	-	-	-	-	-
b)Banks/FI	-	-	-	-	-	-	-	-	-
c)Central Govt.	-	-	-	-	-	-	-	-	-
d)State Govt.(s)	-	-	-	-	-	-	-	-	-
e)Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)Insurance Companies	-	-	-	-	-	-	-	-	-
g)FIIs	-	-	-	-	-	-	-	-	-
h)Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1):-	-	-	-	-	-	-	-	-	-
2.Non-institutions									
a)Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b)Individuals									
i)Individual Shareholders holding nominal share capital uptoRs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c)Others(specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	**251,86,59,600**	**251,86,59,600**	**100%**		**316,32,79,600**	**316,32,79,600**	**100%**	-

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in the shareholding during the year
1.	NTPC Limited	125,93,29,800	50.00	-	158,16,39,800	50.00	-	-
2.	Utter Pradesh Rajya Vidyut Utpadan Nigam Limited	125,93,29,800	50.00	-	158,16,39,800	50.00	-	-

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

Sl No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**NTPC Limited**				
	At the beginning of the year	125,93,29,800	50.00	125,93,29,800	50.00
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):		-		
	Allotment made on 8th April 2019			5,00,00,000	
	Allotment made on 12th September 2019			11,00,00,000	
	Allotment made on 26th February 2020			16,23,10,000	
	At the End of the year	125,93,29,800	50.00	158,16,39,800	50.00
2	**Utter Pradesh RajyaVidyut Utpadan Nigam Limited**				
	At the beginning of the year	125,93,29,800	50.00	125,93,29,800	50.00
	Date wise Increase (+) / Decrease (-) in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.):		-		
	Allotment made on 8th April 2019			5,00,00,000	
	Allotment made on 12th September 2019			11,00,00,000	
	Allotment made on 26th February 2020			16,23,10,000	
	At the End of the year	125,93,29,800	50.00	158,16,39,800	50.00

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, promoters and Holders of GDRs and ADRs)

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of Top 10 shareholders	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.) :	-	-	-	-
	At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
-	-	-	-	-	-

V. INDEBTEDNESS

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

Rs. In Lakh

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	674,236.30	-	-	674,236.30
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	10,994.83	-	-	10,994.83
Total (i + ii + iii)	**685,231.13**	**-**	**-**	**685,231.13**
Change in Indebtedness during the financial year				
• Addition	120,697.86	-	-	120,697.86
• Reduction	-	-	-	-
Net Change	120,697.86	-	-	120,697.86
Indebtedness at the end of the financial year				
i) Principal amount	793,211.96	-	-	793,211.96
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	12,717.03	-	-	12,717.03
Total (i + ii + iii)	**805,928.99**	**-**	**-**	**805,928.99**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) if the Income-tax Act,1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify…	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	1. Independent Directors • Fee for attending board / committeemeetings • Commission • Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
	2. Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B) = (1 + 2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

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

Rs. In Lakh

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary (Shri Arun Kumar)	CFO	Total
1.	Gross Salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	-	31.75	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	.72	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify…	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	32.47	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of Board of Directors

(Anil Kumar Gautam)
Chairman

Place: New Delhi
Dated: 10 /09 /2020

Annexure -II

Details of top 10 employees of the Company as per provisions of Rule5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) 2014

Sl No	Name	Designation	Total (Rs in Lakh)	Nature of Employment	Qualification	Experience (Years)	Date of Commencement in NTPC	Age (Years)	Last Employement Held before joining the Company	Whether Relative of Director
1	Balbir Chand Galav	DY. GENERAL MANAGER	80.83	Permanent	BS Power,Diploma (Mech)	31	30-11-1988	60	M/s.LEW,JST,WIE	No
2	Kamalesh Rai	SR.MANAGER(C&M)	61.93	Permanent	BS Power,Diploma (Mech)	28	13-02-1992	60	UPRVUN Ltd	No
3	V N Singh	SR.MANAGER(ELECT MAINT)	60.59	Permanent	Diploma (Elect)	28	13-02-1992	60	UPRVUN Ltd	No
4	Kedar Nath	SR.MANAGER(SAFETY)	59.39	Permanent	BS Power,Diploma (Mech)	28	10-02-1992	60	M/s.Punjab Chemi Plant,M/s.Coal field and Power Plant	No
5	Sunil Kumar Masuriha	AGM(MECH ERECT)	57.44	Permanent	MBA,BS Power,Diploma (Mech)	40	05-06-1979	60		No
6	Javed Sultan Ansari	CHIEF GENERAL MANAGER	54.54	Permanent	B.Sc (Eng)	38	04-09-1982	60		No
7	Gautam Vivek	GENERAL MANAGER	53.37	Permanent	M.Sc (Geo),B.Sc	37	24-12-1982	60		No
8	Davendar Goel	AGM (FES)	53.53	Permanent	M.Tech (PGT),B.Sc (Elec)	29	25-10-1990	51		No
9	Vijay Kumar Garg	AGM (Chem)	52.74	Permanent	P.hd (Org Chem),M.Sc (Chem)	29	26-10-1990	54		No
10	Ashok Kumar	AGM (C&M)	52.41	Permanent	B.Sc (Eng),MBA HRD	35	24-09-1985	51		No
		Total	**586.77**							No

(Anil Kumar Gautam)

Date : 10 / 09 / 2020

CHAIRMAN

ANNEXURE - III'

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

A. Conservation of energy:

(i) Energy conservation measures taken	• Water optimization by keeping contingency AWRS in continuous. • Online Energy Management System for APC monitoring being developed based on PI data. • Benchmarking of Unit start-up time done and each startup is evaluated next day in daily planning meetings, to optimize startup time and oil consumption. • Through Combustion optimization performance optimization, we achieved: o Reduction of Unburnt carbon by adjusting burner swirl angles and mill classifier settings. (Achieved) o Dry flue gas losses by APH seal adjustment. (In Progress) o Metal temperature excursion time minimized. o Improvement in Heat Rate from 2736 to 2495 kcal/kWhr in July'20 • Cooling tower scheduled cell cleaning and maintenance to maintain its healthiness (In progress). • Shut down page developed to monitor the running of only necessary drives, saving APC when the unit is not in service.
(ii) Steps taken for utilizing alternate sources of energy	• The procurement of Small solar panels for roof top installation within township is in process.
(iii) Capital investment on energy conservation equipment	• Deployment of additional water flow meters worth Rs. 1.0 crore, for online monitoring and optimization of water usage in the plant, initiated. • Procurement of LED light worth Rs. 1.46 crores in process in a lot of worth Rs. 10 lacs received.

B. Technology absorption:

(i) Efforts made towards technology absorption	• Procurement of online coal ash analyzer for real-time coal quality monitoring initiated. • The FGD system for both units is an advanced stage of erection. • Procurement of biomass pellets initiated. • Use of PAUT in place of RT in boiler weld testing thereby considerable unit revival time reduction after BTL. • On line ultrasonic flow meter, IR thermography camera, and other equipment worth Rs.15 lacs completed by EEMG.
(ii) The benefits derived like product improvement, cost reduction, product development or import substitution	• Energy charge reduction (ECR) from Rs. 3.41 /kWhr to Rs. 2.616 /kWhr by sourcing coal from NCL mines. • The mechanism developed to place inserts between wagon wheel and track during unloading at wagon tippler, thereby considerably reducing the hazard associated with the job. • In house replacement of ID-1A, PA-1A fan blades without OEM support. • High erosion-prone ESP hopper valves provided with in house developed rubber seals to extend their life.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- a) The details of technology imported b) The year of import c) Whether the technology been fully absorbed d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Nil
(iv) The expenditure incurred on Research and Development	Nil

C. Foreign exchange earnings and outgo:

(Rs.Lakh)

Particulars –Standalone	FY20	FY19
Foreign Exchange Earnings mainly on account of interest, dividend	-	-
Foreign Exchange Outflow mainly on account of:	-	-
Fuel purchase	-	-
Interest on foreign currency borrowings	3249.28	3032.72
Purchase of capital equipment, components and spares and other miscellaneous expenses	4739.33	6705.31

For and on behalf of Board of Directors

(Anil Kumar Gautam)
Chairman

Place: New Delhi
Dated: 10 /09 /2020

Annexure-I

गोपनीय

संख्या.:DGA (Energy)/Rep/Acs/Meja Urja/2020-21/61

सत्यमेव जयते

INDIAN AUDIT & ACCOUNTS DEPARTMENT
OFFICE OF THE
PRINCIPAL DIRECTOR OF AUDIT (ENERGY)
DELHI

दिंनाक/Dated: 30.07.2020

सेवा में,
अध्यक्ष
मेजा उर्जा निगम प्रा. लिमिटेड
नई दिल्ली

महोदय,

विषय:-**31 मार्च 2020 को समाप्त वर्ष के लिए मेजा उर्जा निगम प्रा. लिमिटेड, नई दिल्ली के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।**

मैं, मेजा उर्जा निगम प्रा. लिमिटेड, नई दिल्ली के 31 मार्च 2020 को समाप्त वर्ष के लेखाओं पर कम्पनी अधिनियम 2013 की धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ।

कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

भवदीय,

संलग्नक:- यथोपरि।

डी.के. शेखर

(डी. के. शेखर)
महानिदेशक

छठा एवं सातवाँ तल, ऐनेक्सी बिल्डिंग, 10, बहादुरशाह ज़फर मार्ग, नई दिल्ली 110002
6th & 7th floor, Annexe Building, 10 Bahadur Shah Zafar Marg, New Delhi 110002
Tel: 011-23239227, Fax: 011-23239211, E-mail: mabnewdelhi3@cag.gov.in

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF MEJA URJA NIGAM PRIVATE LIMITED FOR THE YEAR ENDED 31 MARCH 2020

The preparation of financial statements of Meja Urja Nigam Private Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 10 June 2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Meja Urja Nigam Private Limited for the year ended 31 March 2020 under Section 143 (6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditor and is limited primarily to inquiries of the statutory auditor and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditor's report under section 143 (6) (b) of the Act.

For and on behalf of the
Comptroller & Auditor General of India

(D.K. Sekar)
Director General of Audit (Energy),
Delhi

Place: New Delhi
Dated: 30 July 2020

Rakhecha & Co.
Chartered Accountants

4866/1, Harbans Singh Street,
24, Ansari Road, Darya Ganj,
New Delhi-110002
Ph. : 011-23288542, 43503994
Website : www.carnc.co.in

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 2020, 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 and notes to the Standalone Financial Statements including a summary of significant accounting policies and other explanatory information ("hereinafter referred to as the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2020, its loss and other comprehensive income/ (loss) , 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 (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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.

RAKHECHA & CO. New Delhi Chartered Accountants

Emphasis of Matter

(i) We draw attention to note no. 22 (d) of the standalone financial statements regarding forced outage of plant due to technical hurdles in turbine resulted in substantial loss of revenue.

(ii) We draw attention to note no. 36 to the standalone financial statements, as regards to the management evaluation of COVID – 19 impact on the future performance of the company.

Key Audit Matters

Key audit matters ('KAM') are those matters that in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S. No.	Key Audit Matters	How our audit addressed the Key Audit Matter
1	**Recognition and Measurement of revenue from Sale of Energy** The company records revenue from sale of energy as per the principles enunciated under Ind AS 115, based on tariff rates approved by the Central Electricity Regulatory Commission (CERC) as modified by the order of Appellate Tribunal for securities. However, in cases where tariff rates are yet to be approved, provisional rates are adopted considering the applicable CERC Tariff Regulations. This is considered as key audit matter due to the nature and extent of estimates made as per the CERC Tariff Regulations, which leads to recognition and measurement of revenue from sale of energy being complex and judgemental.	We have obtained an understanding of the CERC Tariff Regulations, orders, circulars, guidelines and the Company's internal circulars and procedures in respect of recognition and measurement of revenue from sale of energy comprising of capacity and energy charges and adopted the following audit procedures: - Evaluated and tested the effectiveness of the Company's design of internal controls relating to recognition and measurement of revenue from sale of energy. - Verified the accounting of revenue from sale of energy, in case of power stations where the tariff rates are yet to be approved, provisional rates are adopted in accordance with the principles given in the CERC Tariff Regulations. Based on the above procedure performed, the recognition and measurement of revenue from sale of energy are considered to be adequate and reasonable.

RAKHECHA & CO. New Delhi Chartered Accountants

Emphasis of Matter

(i) We draw attention to note no. 22 (d) of the standalone financial statements regarding forced outage of plant due to technical hurdles in turbine resulted in substantial loss of revenue.

(ii) We draw attention to note no. 34 to the standalone financial statements, as regards to the management evaluation of COVID – 19 impact on the future performance of the company.

Key Audit Matters

Key audit matters ('KAM') are those matters that in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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New Delhi Chartered Accountants

S. No.	Key Audit Matters	How our audit addressed the Key Audit Matter
2	**Contingent Liabilities** There are a number of litigations pending before various forums against the Company and the management's judgement is required for estimating the amount to be disclosed as contingent liability. We identified this as a key audit matter because the estimates on which these amounts are based involve a significant degree of management judgement in interpreting the cases and it may be subject to management bias.	We have obtained an understanding of the Company's internal instructions and procedures in respect of estimation and disclosure of contingent liabilities and adopted the following audit procedures: - understood and tested the design and operating effectiveness of controls as established by the management for obtaining all relevant information for pending litigation cases; - discussed with the management any material developments and latest status of legal matters; - read various correspondences and related documents pertaining to litigation cases and relevant external legal opinions obtained by the management and performed substantive procedures on calculations supporting the disclosure of contingent liabilities; - examined management's judgements and assessments whether provisions are required; - considered the management assessments of those matters that are not disclosed as the probability of material outflow is considered to be remote; - reviewed the adequacy and completeness of disclosures; Based on the above procedures performed, the estimation and disclosures of contingent liabilities are considered to be adequate and reasonable.

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S. No.	Key Audit Matters	How our audit addressed the Key Audit Matter
3	***Impact of COVID 19 on Audit*** Due to outbreak of Pandemic COVID 19 and consequent country wide lockdown enforced by Government of India. Due to this we could not carry out normal audit procedures by visiting the MUNPL office and audit was carried out using "remote audit" approach hence Inspection, examination and verification of the original documents/ files not possible due to restrictions on physical movement. . This is considered as key audit matters, since alternate audit procedures were performed for carrying out audit.	Due to "remote audit" approach, we performed following audit procedures: - Entire data and informations were received electronically through email or through data sharing on drive. - For audit procedures, reliance was placed on scanned copies of original documents shared with us electronically and on the representations received from management for its accuracy and authenticity. - Interview/ discussion with client via call conferencing and other verbal communications.

Other Information

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in Company's annual report but does not include the standalone financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standard (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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- 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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Report on Other Legal and Regulatory Requirements

1. 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, and 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, we give in "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the said Order.

2. 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 2" on the directions and sub-directions issued by the Comptroller and Auditor General of India.

3. 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 Standalone Balance Sheet, the Standalone 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.

   (e) Being a Government Company pursuant to the Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act, are not applicable to the Company.

   (f) With respect to the adequacy of the Internal Financial Controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure 3".

   (g) As per Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, Section 197 of the Act is not applicable to the Government Companies. Accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable on the Company.

RAKHECHA & CO. New Delhi Chartered Accountants

(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:

i. The Company has disclosed the impact of pending litigations as at 31st March, 2020 on its financial position in its standalone financial statements – Refer Note 31 to the standalone financial statements;

ii. The Company has made provision, as required under the applicable law or Indian accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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

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 10th day of June 2020
UDIN: 20518544AAAAAS4561

ANNEXURE '1' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 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 Property, Plant & Equipments:

(a) ***Except for the non-recording of identification numbers*** in respect of Plant & Machineries, 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, a portion of property, plant & Equipments has been physically verified by the Management 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 2.61 Hectares (previous year 115.45 Hectare) of Freehold land of value INR 120.54 Lakh (previous year INR 455.86 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.

RAKHECHA & CO. New Delhi Chartered Accountants

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 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 started in the reporting financial year, so this paragraph of the Order is not applicable.

vii.

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amount deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, duty of customs, Cess and other material statutory dues have generally been regularly deposited during the year by the Company with appropriate authorities.

According to the information and explanation given to us, no undisputed amount payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax and other material statutory dues were in arrears as at 31st March 2020, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Income tax or sales tax or service tax or Goods and Service tax or Value added tax which have not been deposited by the company on account of disputes, except for the following :

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. 67.00
The Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	F.Y. 2013-14	Rs. 285.03	Rs. 105.75
The Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	F.Y. 2014-15	Rs. 293.84	Rs. 39.50
The Income Tax Act, 1961	Income Tax	Income Tax Appellate Tribunal	F.Y. 2015-16	Rs. 488.69	Rs. 488.69
The Income Tax Act, 1961	Income Tax	CIT Appeals	F.Y. 2016-17	Rs. 214.17	Rs. 43.00

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.

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 on the Company by its officers or employees has been noticed or reported during the year.

RAKHECHA & CO. New Delhi Chartered Accountants

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. According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3 (xii) of the Order is 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 (f) 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. According to information and explanation given to us, the Company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934. Accordingly, provision of clause 3(xvi) of the Order is not applicable to the Company.

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

RAKHECHA & CO. New Delhi Chartered Accountants

ANIL KUMAR
Partner
(Membership No.518544)

Place: New Delhi
The 10th day of June 2020
UDIN: 20518544AAAAAS4561

ANNEXURE '2' 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)

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

RAKHECHA & CO. New Delhi Chartered Accountants

Singhania

ANIL KUMAR
Partner
(Membership No.518544)

Place: New Delhi
The 10th day of June 2020
UDIN: 20518544AAAAAS4561

ANNEXURE "3" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3(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, 2020 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 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.

RAKHECHA & CO. New Delhi Chartered Accountants

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, 2020, 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 10th day of June 2020
UDIN: 20518544AAAAAS4561

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 31st MARCH 2020

Amt in ₹ lakh

Particulars	Note	As at 31.03.2020	As at 31.03.2019
ASSETS			
Non-current assets			
Property, plant and equipment	2	**6,42,866.36**	33,857.59
Capital work in progress	3	**4,23,704.26**	9,67,353.92
Intangible assets	4	**275.41**	226.11
Other non-current assets	5	**19,537.92**	20,543.09
Deferred Tax Assets		**17,519.58**	-
Total Non-current assets		**11,03,903.53**	**10,21,980.71**
Current Assets			
Inventories	6	**26,851.03**	4,181.72
Financial assets			
Trade Receivables	7	**22,892.48**	832.95
Cash and cash equivalents	8	**7,749.72**	7,735.85
Bank balances other than cash and cash equivalents	9	**224.49**	224.49
Other financial assets	10	**2,852.24**	0.66
Other current assets	11	**5,585.61**	3,363.82
Total Current Assets		**66,155.57**	16,339.49
Total Assets		**11,70,059.10**	**10,38,320.20**
EQUITY & LIABILITIES			
EQUITY			
Equity Share capital	12	**3,16,327.96**	2,51,865.96
Other equity	13	**(55,684.48)**	16,083.74
Total Equity		**2,60,643.48**	2,67,949.70
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	14	**7,35,405.50**	6,67,429.49
Other financial liabilities	15	**4,746.17**	2,665.97
Total Non-current liabilities		**7,40,151.67**	6,70,095.46
Current liabilities			
Financial liabilities			
Borrowings	16	**38,285.78**	3,032.17
Trade payables	17	**9,385.92**	2,785.72
Other financial liabilities	18	**1,05,140.59**	92,475.60
Other current liabilities	19	**804.80**	534.62
Provisions	20	**713.29**	1,293.44
Total Current liabilities		**1,54,330.38**	1,00,121.55
Regulatory deferral account credit balances	21	**14,933.57**	153.49
TOTAL EQUITY AND LIABILITIES		**11,70,059.10**	10,38,320.20

Significant accounting policies 1

The accompanying notes 1 to 34 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	Anil Kumar Gautam
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

RAKHECHA & CO. New Delhi Chartered Accountants

Place: New Delhi
Dated : 10th June 2020

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 ON 31ST MARCH 2020

Amount in ₹ lakh

Particulars	Note	For the year ended 31.03.2020	For the year ended 31.03.2019
Revenue			
Revenue from Operation	22	57,824.16	
Other income	23	1,912.90	-
Total Revenue		59,737.06	-
Expenses			
Fuel Cost		38,472.13	
Employee benefits expense	24	5,169.91	-
Finance costs	25	38,421.35	-
Depreciation, amortization and impairment expense	2 & 3	29,865.65	-
Generation, administration & other expenses	26	10,121.87	11.78
Total expenses		1,22,050.91	11.78
Profit (loss) before tax and regulatory deferral account balances		(62,313.85)	(11.78)
Tax expense			
Current tax			
Current year		0.00	41.00
Earlier years		0.00	162.58
Deferred tax	30(c)	(17,519.58)	-
Total tax expense		(17,519.58)	203.58
Profit (loss) for the year before regulatory deferral account balances		(44,794.27)	(215.36)
Net Movement in Regulatory Deferral account	28	(15,973.95)	-
Profit (loss) for the Year		(60,768.22)	(215.36)
Other comprehensive income			
Other comprehensive income / (expense) for the year, net of income tax		-	-
Total comprehensive income / (expense) for the year		(60,768.22)	(215.36)
Expenditure during construction period (net)	27		
Earning per share (Par Value Rs. 10/- each)	29		
Basic (Rs.) (from operations including regulatory deferral account balances)		(2.19)	(0.01)
Basic (Rs.) (from operations excluding regulatory deferral account balances)		(2.77)	(0.01)
Diluted (Rs.) (from operations including regulatory deferral account balances)		(2.47)	(0.01)
Diluted (Rs.) (from operations excluding regulatory deferral account balances)		(3.12)	(0.01)
Significant accounting policies	1		

The accompanying notes 1 to 34 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	Anil Kumar Gautam
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 : 10th June 2020

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 ON 31ST MARCH 2020

Amount in ₹ lakh

	Particulars	31.03.2020	31.03.2019
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Profit (Loss) before tax and regulatory deferral account balances	(62,313.85)	(11.78)
	Add : Net movement in regulatory deferral account net of tax Debit (Credit)	(1,545.63)	-
	Profit/(Loss) before tax including movement in regulatory deferral account	(63,859.48)	(11.78)
	Adjustment for:		
	-Depreciation, amortization and impairment expense	29,865.65	-
	-Regulatory deferral account credit balance	1,545.63	-
	-Finance Cost	38,184.61	-
	-Unwinding of discount on vendor liability	236.74	-
	Operating profit before working Capital Changess	5,973.15	(11.78)
	Adjustment for:		
	-Trade Payables	6,600.20	1,648.26
	-Other financial liabilities	49,616.47	2,762.54
	-Other current liabilities	270.18	82.45
	-Provisions	(580.15)	(490.27)
	-Inventories	(22,669.31)	(2,502.73)
	-Trade Receivables	(22,059.53)	(703.90)
	-Other financial assets	(2,851.58)	1.46
	-Other current assets	(1,216.62)	(751.81)
	Cash generated from operations	13,082.81	34.22
	Income Tax Paid/(Refund)	-	(203.58)
	Net Cash from Operating Activities - A	13,082.81	(169.36)
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	-Bank Balances Other than Cash & Cash Equivalent	-	(224.49)
	-Purchase of Property Plant & Equipment & Capital work in progress	(70,578.03)	(90,130.31)
	Net Cash Flow from Investing Activities - B	(70,578.03)	(90,354.80)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	-Proceeds from issue of Share	64,462.00	10,000.00
	-Share Application Money	(11,000.00)	11,000.00
	-Proceeds from Long Term Borrowing	67,976.01	1,22,773.05
	-Interest and Finance Charges	(63,928.92)	(50,724.81)
	Net Cash Flow from Financing Activities - C	57,509.09	93,048.24
	Net increase/Decrease in Bank balances (A+B+C)	13.87	2,524.08
	Cash and cash equivalent at the beginning of the year(See Note 1 below)	7,735.85	5,211.77
	Cash and cash equivalent at the end of the year(See Note 1 below)	7,749.72	7,735.85
	Note:		
1	Cash & cash equivalent included in the cash flow statement comprise of Balancees with bank and deposit with original maturity less than three months. as per note 8	7,749.72	7,735.85
		7,749.72	7,735.85

The accompanying notes 1 to 34 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	Anil Kumar Gautam
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

RAKHECHA & CO. New Delhi Chartered Accountants

Place: New Delhi
Dated 10th June 2020

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 period ended 31 March 2020

Amount in ₹ lakh

Balance as at 1 April 2019	Changes in equity share capital during the year	Balance as at 31st March 2020
2,51,865.96	64,462.00	3,16,327.96

For the year ended 31 March 2019

Amount in ₹ lakh

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

(B). Other Equity

For the year ended 31st March 2020

Amount in ₹ lakh

	Share Application Money Pending allotment	Reserves & Surplus	Other comprehensive income	Total
		Retained Earnings		
Balance as at 1 April 2019	11,000.00	5,083.74	-	16,083.74
Profit (loss) for the year		(60,768.22)	-	(60,768.22)
Other comprehensive Income			-	-
Total Comprehensive Income		(55,684.48)	-	(44,684.48)
Adjustment during the year		-	-	-
Application Money Received	53,462.00	-	-	53,462.00
Less : Shares allotted against application money received	(64,462.00)	-	-	(64,462.00)
Transfer to Retained earnings		-	-	-
Transfer from Retained earnings		-	-	-
Balance as at 31 March 2020	-	(55,684.48)	-	(55,684.48)

For the year ended 31 March 2019

Amount in ₹ lakh

	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 (loss) 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 & on behalf of the Board of Directors

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

This is the Statement of Change in equity 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 10th June 2020

MEJA URJA NIGAM PRIVATE LIMITED

Significant Accounting Policies – 2019-20

Note 1. Company Information and Significant Accounting Policies

A. Reporting entity

MejaUrja Nigam Private Limited (the "Company") is a 50:50 Joint Venture Company of NTPC Limited & Uttar Pradesh Rajya VidhyutUtpadan 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 Kohadar in Prayagraj District of Uttar Pradesh.

B. Basis of preparation

1. Statement of Compliance

These standalonefinancial statements are prepared on going concern basis following accrual system of accounting and comply with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other provisions of the Companies Act, 2013 (to the extent notified and applicable) and the provisions of the Electricity Act, 2003 to the extent applicable.

These financial statements wereapprovedfor issue by the Board of Directors on **8th June 2020**.

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 serial no. 23of 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 notesto 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 (₹) which is the Company's functional currency. All financial information presented in (₹) has been rounded to the nearest lakh (up to two decimals), except when indicated 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 classified as current when it is:

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

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

All other assets are classified as non-current.

A liability is classified as current when:

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

All other liabilities are classified as non-current.

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

Assets and liabilities are classified between current and non-current considering 12 months period as normaloperating cycle.

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.Cost includes purchase price including import duties and non-refundable taxes after deducting trade discounts and rebates,any cost 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 and the present value of initial estimate of cost of dismantling, removal and restoration.

Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses.

When parts of an item of property, plant and equipment that are significant in value and have different useful lives as compared to the main asset, 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

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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.

The acquisition or construction of some items of property, plant and equipment although not directly increasing the future economic benefits of any particular existing item of property, plant and equipment, may be necessary for the company to obtain future economic benefits from its other assets. Such items are recognized as property, plant and equipment.

1.2. Subsequent costs

Subsequent expenditure is recognized 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 and any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized.

The cost of replacing major 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 derecognizedregardless of whether the replaced part has been depreciated separately. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when 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 as the difference between sale proceeds from disposal, if any, and the carrying amount of property, plant and equipment and are recognized in the statement of profit and loss.

In circumstance, where an item of property, plant and equipment is abandoned, the net carrying cost relating to the property, plant and equipment is written off in the same period.

1.5. Depreciation/amortization

Depreciation is recognized in statement of profit and loss on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment.

Depreciation on the assets of the generation of electricity business and on the assets of Corporate & other offices of the Company, covered under Part B of Schedule II of the Companies Act, 2013, is charged on straight-line method following the rates and methodology notified by the Central Electricity Regulatory Commission (CERC) Tariff Regulations.

Depreciation on the following assets is provided on their estimated useful lives, which are different from the useful lives as prescribed under Schedule II to the Companies Act, 2013, ascertained on the basis of technical evaluation/ assessment:

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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 equipment, display devices viz. projectors, screens, CCTV, audio video conferencing systems and other communication equipment.	6 years
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.

Capital spares are depreciated considering the useful life ranging between 2 to 25 years based on technical assessment.

Right-of-useland and buildings relating to generation of electricity business governed by CERC Tariff Regulations are fully amortized over lease period or life of the related plant whichever is lower following the rates and methodology notified by the CERC Tariff Regulations.

Right-of-use land and buildings relating to generation of electricity businesswhich arenot governed by CERC tariff Regulations are fully amortized over lease period or life of the related plant whichever is lower.

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/sale,disposal or earmarked for disposal.

Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long-term liabilities(recognizedup to31 March2016) on account of exchange fluctuation and 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 expenditure incurred will flow to the enterprise and the cost of the item can be measured reliably, subsequent expenditure on a property, plant and equipment along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

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

Refer policy nos. **C.16** in respect of depreciation/amortization ofright-of-use assets respectively.

2. Capital work-in-progress

Cost incurred forproperty, plant and equipmentthat are not ready fortheir intended use as on the reporting date, isclassified under 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 the borrowing costs attributable

New Delhi Chartered Accountants

to the acquisition or construction of qualifying asset.

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 measured reliably.

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 expenses of preparing the asset 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 are carried 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. Gainor loss on de-recognition of an intangible assetis determined as the difference between the net disposal proceeds, if any, and 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 and adjusted prospectively, wherever required.

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 in the year in which the same become

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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) interest expense on lease liabilities recognized in accordance with Ind AS 116– '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, constructionor 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 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 ofobtaininga qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of allborrowings that are outstanding during the period and used for the acquisition, construction or erection of the qualifying asset.However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use or sale are complete.

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

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

RAKHRA & CO. New Delhi Chartered Accountants grant. Grants that compensate the Company for the cost of depreciable asset are recognized as income in statement of profit and loss on a systematic basis over the period and in the proportion in which depreciation is charged. Grants that compensate the Company for expenses incurred are recognized over the period in which the related costs are incurred and the same is deducted from the related expenses.

9. Fly ash utilization reserve fund

Proceeds from sale of ash/ash products along-with income on investment of surplus fund are transferred to 'Fly ash utilization reserve fund' in terms of provisions of gazette notification dated 3 November 2009 issued by Ministry of Environment and Forests, Government of India. The fund is utilized towards expenditure on development of infrastructure/facilities, promotion & facilitation activities for use of fly ash.

10. 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 cost.

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

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 statementswheninflow 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.

11. 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 aretranslated 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 the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related

RAKHEJA & CO. New Delhi Chartered Accountants to acquisition of property, plant and equipment recognized up to 31 March 2016 are adjusted to the carrying cost of property, plant and equipment.

Non-monetary itemsdenominated in foreign currency which are measured in terms of historical cost are recorded 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.

12. Revenue

Company's revenues arise from sale and trading of energy, income on assets under lease, and other income. Revenue from other income comprises interest from banks, employees, contractors etc., dividend from mutual fund investments, surcharge received from beneficiaries for delayed payments, sale of scrap, other miscellaneous income, etc.

12.1. 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 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, 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 recognizes revenue when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the products or services is transferred to a customer.

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 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. contract assets/ 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 where the same have not been notified/approved, incentives/disincentives are accounted for on provisional basis.

Exchange differences arising from settlement/translation of monetary items denominated in foreign currencyto 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 such balances are adjusted in the year in which the same becomes recoverable/payable to the beneficiaries.

Exchange differences on account of translation of foreign currency borrowings recognized upto 31 March 2016, to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset' with corresponding credit to 'Deferred income from foreign currency fluctuation'.Deferred income from foreign currency fluctuation account is amortized in the proportion in which depreciation is charged on such exchange differences and same is adjusted

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against depreciation expense.Fair value changes in respect of forward exchange contracts for derivatives recoverable from/payable to the beneficiaries as per the CERC Tariff Regulations, are recognized in sales.

Revenue from sale of energy through trading is recognized based on the rates, terms & conditions mutually agreed with the beneficiaries as per the guidelines issued by Ministry of New and Renewable Energy, Government of India.

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

12.2. 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.

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.

Dividend income is recognized in profit or loss only when the right to receive is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

13. Employee benefits

The employees of the Company are on secondment from the holding company. Employee benefits include provident fund, pension, gratuity, post-retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits. In terms of the arrangement with the Holding Company, the Company is to make a fixed percentage contribution of the aggregate of basic pay and dearness allowance for the period of service rendered in the Company. Accordingly, these employee benefits are treated as defined contribution schemes.

14. Other expenses

Expenditure on research is charged to revenue as and when incurred. Expenditure on development is charged to revenue as and when incurred unless it meets the recognition criteria for intangible asset as per Ind AS 38- 'Intangible assets'.

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.

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15. Income tax

Income tax expense comprises current and deferred tax. Current tax expense is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

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

Deferred tax is recognized using the balance sheet method, on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax bases of assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they materialize, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority.

Deferred tax is recognized in statement of profit and loss except to the extent that it relates to items recognized directly in OCI or equity, in which case it is recognized in OCI or equity, respectively.

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

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.

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. MAT credit is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future taxable profit will be available against which MAT credit can be utilized.

When there is uncertainty regarding income tax treatments, the Company assesses whether a tax authority is likely to accept an uncertain tax treatment. If it concludes that the tax authority is unlikely to accept an uncertain tax treatment, the effect of the uncertainty on taxable income, tax bases and unused tax losses and unused tax credits is recognized. The effect of the uncertainty is recognized using the method that, in each case, best reflects the outcome of the uncertainty: the most likely outcome or the expected value. For each case, the Company evaluates whether to consider each uncertain tax treatment separately, or in conjunction with another or several other uncertain tax treatments, based on the approach that best prefixes the resolution of uncertainty.

16. Leases

Effective 1 April 2019, the Company adoptedIndAS116'Leases'andappliedtoallleasecontractsexistingon 1 April2019usingthemodifiedretrospectivetransition method.Consequently, the lease liability is measured at the present value of remaining leasepayments discounted at incremental borrowing rate applicable at the date of initial application andtheright-of-useasset has been recognized at an amount equal to lease liability. Comparativesasatandfortheyearended 31 March2019havenotbeenadjusted and therefore will continue to be reported as per Ind AS 17. The details of accounting policies as per Ind AS 17 are disclosed separately if they are different from those under Ind AS 116.

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16.1. As lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contact involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases for low value underlying assets. For these short-term and leases for low value underlying assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of use assets and lease liabilities include these options when it is reasonably certain that the option to extend the lease will be exercised/option to terminate the lease will not be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation/amortization and impairment losses.

Right-of-use assets are depreciated/amortized from the commencement date to the end of the useful life of the underlying asset, if the lease transfers ownership of the underlying asset by the end of lease term or if the cost of right-of-use assets reflects that the purchase option will be exercised. Otherwise, Right-of-use assets are depreciated/amortized from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

Right-of-use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. Lease liabilities are re-measured with a corresponding adjustment to the related right-of-use asset if the Company changes its assessment whether it will exercise an extension or a termination option.

In the comparative period, as lessee the leases were accounted as per Ind AS 17 and classified as finance lease and operating lease, and accounted as follows:

Accounting for finance leases

In the comparative period, leases of property, plant and equipment where the Company, as lessee has substantially all risks and rewards of ownership wereclassified as finance lease. On initial recognition, assets held under finance leases wererecorded as property, plant and equipment and the related liability wasrecognized under borrowings. At inception of the lease, finance leases wererecorded at amounts equal to the fairvalue of the leased asset or if lower the present value of the minimum lease payments. Minimum lease payments amounts under finance leases wereapportioned between the finance cost and the reduction of the outstanding liability.

The finance cost wasallocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Accounting for operating leases

In the comparative period, leases in which a significant portion of the risks and rewards of ownership werenot transferred to the Company as lessee are classified as operating lease. Payments made under operating leases wererecognized as an expense on a straight-line basis over the lease term unless the payments werestructured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received wererecognized as an integral part of the total lease expense, over the term of the lease.

16.2. 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 finance leases

Where the Company determines a long term Power Purchase Agreement (PPA) to be or to contain a lease and where the off taker has the principal risk and rewards of ownership of the power plant through its contractual arrangements with the Company, the arrangement is considered a finance lease. Capacity payments are apportioned between capital repayments relating to the provision of the plant, finance income and service income. The finance income element of the capacity payment is recognized as revenue, using a rate of return specific to the plant to give a constant periodic rate of return on the net investment in each period. The service income element of the capacity payment is the difference between the total capacity payment and the amount recognized as finance income and capital repayments and recognized as revenue as it is earned.

The amounts due from lessees under finance leases are recorded in the balance sheet as financial assets, classified as 'Finance lease receivables', at the amount of the net investment in the lease.

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.

17. 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

Rakesh Chawla & Co. Chartered Accountants New Delhi 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 the statement of profit and 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 accumulated depreciation or amortization, if no impairment loss had been recognized.

18. 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.

the Company has no reportable segments as per the Chief operating decision maker (CODM) of the company.

19. Dividends

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

20. 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.

21. 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.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any bonus shares issued during the financial year.

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

22. Statement of cash flows

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

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'Statement of cash flows'.

23. 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.The Company recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.

23.1Financial assets

Initial recognition and measurement

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 valued 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 effective interest rate (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 statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and 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 de-recognized (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) Lease receivables under Ind AS 116.
(c) Trade receivables, unbilled revenue and contract assets under Ind AS 115.

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For trade receivables and contract assets/unbilled revenue, the Company applies the simplified approach required by Ind AS 109 Financial Instruments, which requires lifetime expected losses to be recognized from initial recognition.

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.

23.2 Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and financial liabilities at amortized cost, as appropriate.All financial liabilities are recognized initially at fair value and, in the case of liabilities measured at amortized cost net of directly attributable transaction cost. 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 statement of profit and 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 statement of profit and 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 de-recognition 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.

23.3 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

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

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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 recognized in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized 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 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 (where tariff is regulated) isdetermined 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 as per Ind AS 116 in determining whether an arrangement contains a lease. In assessing 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 meets the criteria as per Ind AS 116.

6. Regulatory deferral account balances

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

7. 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 requirebest judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeabledevelopments, this likelihood could alter.

8. Income taxes

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

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2. Non- current Assets - Property, Plant and equipment

Amount in ₹ lakh

Particulars	Gross Block: As at 01.04.2019	Gross Block: Additions	Gross Block: Deductions/ Adjustments	Gross Block: As at 31.03.2020	Depreciation/Amortisation: Upto 01.04.2019	Depreciation/Amortisation: For the year	Depreciation/Amortisation: Deductions/ Adjustments	Depreciation/Amortisation: Upto 31.03.2020	Net Block: As at 31.03.2020	Net Block: As at 31.03.2019
Land :										
(including development expenses)										
Freehold	18,595.49	563.29	-	**19,158.78**	-	-	-	-	**19,158.78**	18,595.49
Roads, Bridges & culverts	1,717.25	1,826.13	203.36	**3,340.02**	197.94	119.50	203.36	**114.08**	**3,225.94**	1,519.31
Building			-				-			
- Main Plant	-	13,768.75	-	**13,768.75**	-	459.88	-	**459.88**	**13,308.87**	-
- Other	11,355.90	7,451.52	1,550.63	**17,256.79**	1,496.17	680.64	1,555.19	**621.62**	**16,635.17**	9,859.73
Temporary Erection	58.75	8.39	27.02	**40.12**	26.62	6.47	27.20	**5.89**	**34.23**	32.13
Water supply, drainage & Sewerage system	540.50	4,811.36	108.44	**5,243.42**	105.92	263.39	107.58	**261.73**	**4,981.69**	434.58
MGR track and signaling system	-	5,209.91	-	**5,209.91**	-	275.08	-	**275.08**	**4,934.83**	-
Railway Sliding	-	74,567.16	-	**74,567.16**	-	3,937.15	-	**3,937.15**	**70,630.01**	-
Earth Dam Reservoir	-	5,711.79	-	**5,711.79**	-	301.58	-	**301.58**	**5,410.21**	-
Plant and machinery	722.66	5,23,997.88	(4,002.93)	**5,28,723.47**	68.48	28,483.02	54.59	**28,496.91**	**5,00,226.56**	654.18
Furniture and fixtures	752.90	105.84	153.19	**705.55**	149.50	64.85	151.94	**62.41**	**643.14**	603.40
Vehicles	44.53	39.07	10.44	**73.16**	10.17	4.57	10.44	**4.30**	**68.86**	34.36
Office equipment	518.33	125.29	127.67	**515.95**	125.52	64.26	133.94	**55.84**	**460.11**	392.81
EDP, WP machines and satcom equipment	267.24	18.93	165.37	**120.80**	161.67	53.62	165.37	**49.92**	**70.88**	105.57
Construction Equipment	569.96	625.18	114.21	**1,080.93**	109.84	102.53	114.21	**98.16**	**982.77**	460.12
Electrical installations	1,369.83	1,041.52	340.64	**2,070.71**	331.11	142.71	342.47	**131.35**	**1,939.36**	1,038.72
Communication equipments	95.72	36.23	61.65	**70.30**	68.97	15.38	66.81	**17.54**	**52.76**	26.75
Hospital Equipments	-	-	-	-	-		-	-	-	-
Laboratory & Workshop equipment	119.98	8.42	20.06	**108.34**	19.54	6.67	20.06	**6.15**	**102.19**	100.44
Total	**36,729.04**	**6,39,916.66**	**(1,120.25)**	**6,77,765.95**	**2,871.45**	**34,981.30**	**2,953.16**	**34,899.59**	**6,42,866.36**	**33,857.59**

Amount in ₹ lakh

Particulars	Gross Block: As at 01.04.2018	Gross Block: Additions	Gross Block: Deductions/ Adjustments	Gross Block: As at 31.03.2019	Depreciation/Amortisation: Upto 01.04.2018	Depreciation/Amortisation: For the year	Depreciation/Amortisation: Deductions/ Adjustments	Depreciation/Amortisation: Upto 31.03.2019	Net Block: As at 31.03.2019	Net Block: 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
Building									-	
- Main Plant	-				-					-
- Other	11,373.13	(0.00)	17.23	**11,355.90**	1,082.68	416.78	3.29	**1,496.17**	**9,859.73**	10,290.45
Temporary Erection	58.75	-	-	**58.75**	18.64	7.98	-	**26.62**	**32.13**	40.11
Water supply, drainage & Sewerage system	540.50	-		**540.50**	85.81	20.11		**105.92**	**434.58**	454.69
MGR track and signaling system	-				-					-
Railway Sliding	-				-					-
Earth Dam Reservoir	-				-					-
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**	93.91	55.59		**149.50**	**603.40**	590.59
Vehicles	44.53	-		**44.53**	7.14	3.03		**10.17**	**34.36**	37.39
Office equipment	313.47	204.86		**518.33**	81.10	44.42		**125.52**	**392.81**	232.37
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**	**2,031.79**	**844.95**	**5.29**	**2,871.45**	**33,857.59**	**33,949.78**

a) The Company is holding conveyancing title in respect of all pieces of freehold land awarded / acquired admeasuring to 1290.61 Hectares, however mutation of the land acquired by the Company is pending in respect of 2.61 Hectares (previous year 115.45 Hectare) of Freehold land of value INR 120.54 lakh (previous year INR 455.86 lakh).

b) Refer Note 13 in respect of property, plant & equipment hypothecated as security by the company to lending institution.

c) **Depreciation charged on tangible Assets for the year is accounted as given below:**

Amount in ₹ lakh

	31.03.2020	31.03.2019
Transferred to expenditure during construction period (net) - Note 26	237.81	839.66
Allocated to fuel cost	4,910.37	-
Charged to operation expenses net of depreciation adjustment	29,830.42	-
Total Depreciation	**34,978.60**	**839.66**

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

Amount in ₹ lakh

	Gross Block		Depreciation/Amortisation	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Cost Adjustment	4,070.71	55.03	2.70	5.29
Adjustment of Accumulated depreciation with Gross block on COD.	2,950.46	-	2,950.46	-
	(1,120.25)	**55.03**	**2,953.16**	**5.29**

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

Amount in ₹ lakh

Assets	As at 31.03.2020	As at 31.03.2019
Buildings	6.37	1,052.21
Water supply, drainage & Sewerage system	-	103.37
Plant and machinery	-	0.93
Furniture and fixtures	11.44	48.46
Vehicles	6.21	-
Office equipment	28.06	52.91
EDP, WP machines and satcom equipment	2.01	155.78
Construction Equipment	-	
Electrical installations	-	2.14
Communication equipments	54.89	13.07
Laboratory & Workshop equipment	0.17	0.67
	109.15	**1,429.54**

f) Exchange differences capitalised are disclosed in the 'Addition' column of Capital work-in-progress (CWIP) and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustments' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of Property, plant and equipment.

Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of property, plant and equipment through 'Addition' or 'Deductions/Adjustments' column are given below:

Amount in ₹ lakh

Assets :	For the year ended on 31.03.2020		For the year ended on 31.03.2019	
	Exchange Difference	Borrowing Cost	Exchange Difference	Borrowing Cost
Plant and machinery	3,989.45	1,532.53	-	-
	3,989.45	**1,532.53**	-	-

g) Spare parts of Rs 5 lakh and above, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalised.

h) Impairment losses recognised during the year in accordance with Ind-AS 'Impairment of Assets' based on management assessment Rs. Nil. (Up to 31/03/2019 : Rs. Nil)

i) Refer Note No. 31 for Contractual commitment for the acquisation of Property,Plant & equipments.

j) Property,plant and equipments costing Rs. 5000/- or less are depreciated fully in the year of acquisation.

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a) The Company is holding conveyancing title in respect of all pieces of freehold land awarded / acquired admeasuring to 1290.61 Hectares, however mutation of the land acquired by the Company is pending in respect of 2.61 Hectares (previous year 115.45 Hectare) of Freehold land of value INR 120.54 lakh (previous year INR 455.86 lakh).

b) Refer Note 14 in respect of property, plant & equipment hypothecated as security by the company to lending institution.

c) **Depreciation charged on tangible Assets for the year is accounted as given below:**

Amount in ₹ lakh

	31.03.2020	31.03.2019
Transferred to expenditure during construction period (net) - Note 26	237.81	839.66
Allocated to fuel cost	4,910.37	-
Charged to operation expenses net of depreciation adjustment	29,830.42	-
Total Depreciation	**34,978.60**	**839.66**

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

Amount in ₹ lakh

	Gross Block		Depreciation/Amortisation	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Cost Adjustment	4,070.71	55.03	2.70	5.29
Adjustment of Accumulated depreciation with Gross block on COD	2,950.46	-	2,950.46	-
	(1,120.25)	55.03	2,953.16	5.29

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

Amount in ₹ lakh

Assets	As at 31.03.2020	As at 31.03.2019
Buildings	6.37	1,052.21
Water supply, drainage & Sewerage system	-	103.37
Plant and machinery	-	0.93
Furniture and fixtures	11.44	48.46
Vehicles	6.21	-
Office equipment	28.06	52.91
EDP, WP machines and satcom equipment	2.01	155.78
Construction Equipment	-	
Electrical installations	-	2.14
Communication equipments	54.89	13.07
Laboratory & Workshop equipment	0.17	0.67
	109.15	1,429.54

f) Exchange differences capitalised are disclosed in the 'Addition' column of Capital work-in-progress (CWIP) and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustments' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of Property, plant and equipment.

Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of property, plant and equipment through 'Addition' or 'Deductions/Adjustments' column are given below

Amount in ₹ lakh

Assets :	For the year ended on 31.03.2020		For the year ended on 31.03.2019	
	Exchange Difference	Borrowing Cost	Exchange Difference	Borrowing Cost
Plant and machinery	3,989.45	1,532.53	-	-
	3,989.45	1,532.53	-	-

g) Spare parts of Rs 5 lakh and above, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalised

h) Impairment losses recognised during the year in accordance with Ind-AS 'Impairement of Assets' based on management assessment Rs. Nil. (Up to 31/03/2019 : Rs. Nil)

i) Refer Note No. 31 for Contractual commitment for the acquisation of Property,Plant & equipments.

j) Property,plant and equipments costing Rs. 5000/- or less are depreciated fully in the year of acquisation

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3. Non- current Assets - Capital work-in-progress

Amount in ₹ lakh

Particulars	As at 01.04.2019	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2020
Development of land	12,528.68	61.14	12,173.23	416.59	0.00
Roads, bridges, culverts & helipads	1,800.82	10.29	(18.29)	1829.15	0.25
Buildings :		-			0.00
Main plant	57,292.46	4,660.71	23,046.42	13768.75	25138.00
Others	2,141.80	1,033.73	(5,260.25)	7418.14	1017.64
Temporary erection	8.36	0.04	(0.00)	8.40	0.00
Water supply, drainage and sewerage system	751.90	66.62	(4,055.56)	4811.34	62.74
Earth dam reservoir	13,574.34	933.40	3,782.87	5711.79	5013.08
Plant and machinery	7,17,126.22	63,549.48	(61,465.75)	518423.53	323717.92
Furniture and fixtures	14.77	0.53	2.76	3.76	8.78
EDP/WP Machines & Satcom Equipments	-	48.51	0.00	0	48.51
Electrical installations	1,043.46	44.92	7.37	1041.51	39.50
Communication equipment	30.12	(0.22)	0.11	29.79	0.00
Railway Siding	97,106.87	15,988.70	(827.87)	74567.16	39356.28
	9,03,419.80	86,397.85	(32,614.96)	6,28,029.91	394402.70
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	11,849.31	694.62	11,849.31	-	694.62
Difference in Exchange on Foreign Currency Loans	9,114.05	-	3,489.21	-	5624.84
Pre-Commissioning Expenses (net)	18,607.19	8,612.16	22,048.32	-	5171.03
Expenditure during construction period (net)*		32,835.46	-	-	32835.46
Less: Allocated to related works		32,835.46			32835.46
	9,42,990.35	95,704.63	4,771.88	6,28,029.91	405893.19
Construction stores	24,363.57	-	6,552.50	-	17,811.07
Total	9,67,353.92	95,704.63	11,324.38	6,28,029.91	423704.26

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Amount in ₹ lakh

Particulars	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	-	-	-	-	-
EDP/WP Machines & Satcom Equipments	920.36	(920.36)	-	-	-
Electrical installations	28.37	1,015.09	-	-	1,043.46
Communication equipment	67,821.57	(67,791.45)	-	-	30.12
Railway Siding	-	97,106.87	-	-	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

* Brought from expenditure during construction period (net) - Note 27

Notes:

a) Exchange differences capitalised are disclosed in the 'Addition' column of Capital work-in-progress (CWIP) and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustments' column of CWIP.

Details of exchange differences and borrowing costs included in the CWIP through 'Addition' or 'Deductions / Adjustments' column are given below:

Amount in ₹ lakh

Assets :	For the year ended on 31.03.2020		For the year ended on 31.03.2019	
	Exchange Difference	**Borrowing Cost**	**Exchange Difference**	**Borrowing Cost**
Capital work in progress	3,728.56	25,889.87	2,086.34	51,420.93
	3,728.56	**25,889.87**	**2,086.34**	**51,420.93**

b) Pre-commissioning expenses incurred for the year amount to INR 9788.69 lakh (up to 31 March 2019: INR 20830.08) and after adjustment of pre-commissioning sales of INR 1219.85 lakh for the year (up to 31 March 2019: INR 2222.89 lakh) resulted in net pre-commissioning expenditure of INR 27176.03 lakh (up to 31 March 2019: INR18607.19 lakh). Out of net expenses incurred a sum of INR 22005.00 lakh (Net of pre-commissioning sales up to COD INR 3442.74 lakh) has been capitalised to assets on commercial operation date of commencement Unit # I.

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Amount in ₹ lakh

4. Non-current Assets - Intangible assets

Particulars	Gross Block				Amortisation				Net Block	
	As at 01.04.2019	Additions	Deductions/ Adjustments	**As at 31.03.2020**	Upto 01.04.2019	For the year	Deductions/ Adjustments	**Upto 31.03.2020**	**As at 31.03.2020**	As at 31.03.2019
Right to Use	249.98	5.95	32.32	**223.61**	31.48	10.21	32.32	**9.37**	**214.24**	218.50
Software	35.03	79.66	27.65	**87.04**	27.42	26.10	27.65	**25.87**	**61.17**	7.61
Total	**285.01**	**85.61**	**59.97**	**310.65**	58.90	36.31	59.97	**35.24**	**275.41**	226.11

Particulars	Gross Block				Amortisation				Net Block	
	As at 01.4.2018	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 to Use	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**	-	285.01	39.46	19.44	-	58.90	226.11	236.41

a. **Amortisation of Intangible Assets for the year is allocated as given below:**

	31.03.2020	**31.03.2019**
Transferred to expenditure during construction period (net) - Note	1.07	19.44
Charged to statement of Profit & Loss	35.24	
Total	**36.31**	**19.44**

b. Deduction/adjustments from gross block and depreciation / amortisation for the year includes:

	Gross Block		Depreciation/Amortisation	
	As at 31.03.2020	As at 31.03.2019	As at 31.03.2020	As at 31.03.2019
Adjustment of Accumulated depreciation with Gross block on COD.	59.97	-	59.97	-
	59.97	-	**59.97**	-

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5. Other - Non-current Assets

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Capital advances		
Unsecured Considered Good		
Covered by bank guarantee	**7026.96**	8,598.01
Others	**11350.75**	10,868.19
Advances other than capital advances		
Unsecured Considered Good		
Advance tax & tax deducted at source	**995.10**	885.12
Security Deposits	**165.11**	191.77
Total	**19537.92**	20,543.09

a) Amount recoverable from related parties are disclosed in Note No. 30 (f)

b) Advance tax & tax deducted at source includes INR 743.94 lakh (31 March 2019: INR 729.27 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 INR Nil (31 March 2019: INR 41.00 lakh) made during the year.

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6. Current assets - Inventories

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Coal	**15961.47**	2297.22
Fuel Oil	**586.36**	1884.5
Stores & Spares	**9972.84**	-
Steel Scrap	**330.36**	-
Total	**26,851.03**	4,181.72

a) Inventory items have been valued as per accounting policy no. C.6.

b) Refer Note 16 for information on inventories hypothecated as security by the Company.

c) Inventory of Coal includes material in transit Rs.25.95 lakh (FY 2018-19 Rs. Nil)

d) Inventory of Stores and Spares includes material in transit Rs. 134.19 lakh (FY 2018-19 Rs. Nil) and under inspection Rs. 1486.12 lakh (FY 2018-19 Rs. Nil)

e) The Company is operating in the Regulatory environment and as per CERC Tariff Regulations, Cost of Fuel & other inventory items are recovered as per extant tariff regulations, accordingly the realisable value of the inventory is not lower than the cost.

7. Current Financial Assets - Trade Receivables

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Trade receivables		
Unsecured, considered good	**22892.48**	832.95
Total	**22,892.48**	832.95

a) Amount recoverable from related parties are disclosed in Note No. 31(f) .

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8. Current Financial Assets : Cash and Cash Equivalents

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Cash & cash equivalents		
Balances with banks		
- Current accounts	**460.39**	1996.81
- Deposits with original maturity of less than three months (including interest accrued)	**7289.33**	5739.04
	7,749.72	7,735.85

9. Current Financial Assets :Bank balances other than cash and cash equivalents

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Balances with banks		
Earmarked Balances with Bank - Deposits with original maturity of less than three months (including interest accrued)	**224.49**	224.49
Total	**224.49**	224.49

a. Earmarked balances represents margin against letter of credit facility availed.

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10. Other financial assets

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Advances		
Considered good unless otherwise stated		
Employees		
Unsecured	**1.47**	0.23
Other		
Unsecured	**6.29**	0.43
Unbilled Revenue		
Energy Sales	**2844.48**	-
Total	**2,852.24**	0.66

a) Unbiled revenue is net of credit to be passed to the Beneficiaries at the time of billing. Out of unbilled revenue recognised, a sum of Rs. 1589.02 lakh billed to beneficiaries after 31st March for energy sales.

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11. Other current assets

Amount in ₹ lakh

Particulars	As at 31.03.2020	As At 31.03.2019
Advances		
Employees		
Unsecured, Considered Good	**1.35**	0.59
Contractors & suppliers		
Unsecured, Considered Good	**4686.38**	3091.76
Claim recoverable		
Unsecured, Considered Good	**851.41**	219.82
Others		
Unsecured, Considered Good	**46.47**	51.65
Total	**5,585.61**	3,363.82

a) Advances to contractor & suppliers includes amount recoverable from related parties. Refer Note No. 31(f)

b) Other current assets - others, include prepaid expenses.

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12. Share capital

Amount in ₹ lakh

Particulars	As At 31.03.2020	As at 31.03.2019
Equity share capital		
Authorised		
350,00,00,000 shares of par value of ₹10/- each (350,00,00,000 shares of par value of ₹10/- each as at 31 March 2019)	**3,50,000.00**	3,50,000.00
Issued, subscribed and fully paid-up		
316,32,79,600 shares of par value of ₹ 10/- each (31 March 2019 : 251,86,59,600 shares of par value of ₹10/- each)	**3,16,327.96**	2,51,865.96

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**

	31.03.2020		31.03.2019	
	No.	Amount	No.	Amount
Outstanding at the beginning of the year	2,51,86,59,600	251865.96	2,41,86,59,600	241865.96
Shares issued during the year	64,46,20,000	64462.00	10,00,00,000	10000.00
Outstanding at the end of the year	3,16,32,79,600	3,16,327.96	2,51,86,59,600	2,51,865.96

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

Particulars	31.03.2020		31.03.2019	
	No. of shares	% age holding	No. of shares	% age holding
-NTPC LTD	1,58,16,39,800	50%	1,25,93,29,800	50%
-UPRVUNL	1,58,16,39,800	50%	1,25,93,29,800	50%

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13. Other equity

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Fly Ash utilisation reserve fund	-	-
Retained earnings	**(55,684.48)**	5,083.74
Share application money	-	11,000.00
Closing balance	**(55,684.48)**	16,083.74

	For the period / year ended 31.03.2020	31.03.2019
(a) Fly Ash utilisation reserve fund	-	-

Pursuant to Gazette Notification dated 3 November 2009, issued by the Ministry of Environment and Forest (MOEF), Government of India (GOI), the amount collected from sale of fly ash and fly ash based products should be kept in a separate account head and shall be utilised only for the development of infrastructure or facility, promotion & facilitation activities for use of fly ash until 100 percent fly ash utilisation level is achieved. Since no revence on account of fly ash earned during the year therefore expenditure incurred of Rs. 11.44 lakh have been charged to Ash Utilisation & Marketing Expenses Refer Note No. 26.

(b) Retained earnings		
Opening balance	**5,083.74**	5,299.10
Add: Profit for the year as per Statement of Profit and Loss	**(60,768.22)**	(215.36)
Closing balance	**(55,684.48)**	5,083.74

(c) Share Application Money Pending Allotment		
Opening Balance	**11,000.00**	-
Add: Received during the Year	**53,462.00**	21,000.00
Less: Shares Allotted during the year	**64,462.00**	10,000.00
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

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14. Non-current Financial Liabilities - Borrowings

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Term loans		
Secured		
From Banks		
Foreign currency loans	**1,04,090.45**	91,171.54
From financial institutions		
Rupee loans	**6,63,552.76**	5,91,027.42
Less: Current Maturity of term loan		
Foreign currency loans	**8,672.68**	3,774.64
Rupee loans	**10,848.00**	-
Less: Interest accrued but not due on borrowings		
Foreign currency loans	**18.28**	24.80
Rupee loans	**12,698.75**	10,970.03
Total	**7,35,405.50**	6,67,429.49

Details of Terms of repayment and rate of interest :

i Secured foreign currency term loan carry 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 Sept. 2020. (FY 2018-19 - Repayment from April 2020).

ii Secured rupee term loan carry interest rate ranging from 8.83% to 10.84% p.a with quarterly rest, interest if linked with AAA 3-Years Reuters + 185 basis points with reset option at the end of every third year. The loan is repayable in 60 quarterly installments commencing from Jan 2021. (FY 2018-19 - Repayment from March 2020)

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

Details of Security :

iv Foreign Currency Term Loan & Rupee Loan are secured by equitable mortgage, by way of first parri passu charge, by deposit of the title deeds of the immovable properties and deed of hypothecation for all present and future movable fixed 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.

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15. Non-current Liabilities - Other Financial liabilities

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Payable for capital expenditure		
-micro and small enterprises	**0.20**	-
-Other	**4,745.97**	2,665.97
Total	**4,746.17**	2,665.97

a) Amounts payable to related parties are disclosed in Note 31 (f).

b) Detailed disclosures as required under MSMED Act, 2006 are provided in Note 33.

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16. Current Financial Liabilities - Borrowings

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Loan repayable on demand		
From Bank		
Secured		
Cash Credit	**38,285.78**	3,032.17
Total	**38,285.78**	3,032.17

a) Cash credit facility secured by hypothecation on entire current asset, stock of raw materials, stock in process and finished goods, book debts of the company and further secured by second charge on all assets of Meja Tharmal Power Project. Cash Credit facility carries floating rate of interest linked to the bank's MCLR + 20 basis point.

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

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17. Current Financial Liabilities - Trade payables

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Trade Payable for goods and services		
Total outstanding dues of		
-micro and small enterprises	23.20	65.69
-Other	9,362.72	2,720.03
Total	**9,385.92**	**2,785.72**

a) Amounts payable to related parties are disclosed in Note - 31(f) .

b) Detailed disclosures as required under MSMED Act, 2006 are provided in Note -33.

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18. Current Liabilities - Other Financial liabilities

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Current maturities of non-current borrowings		
Foreign currency loans	**8,672.68**	3,774.64
Rupee loans	**10,848.00**	-
Interest accrued but not due on borrowings		
Foreign currency loans	**18.28**	24.80
Rupee loans	**12,698.75**	10,970.03
Payable for capital expenditure		
-micro and small enterprises	**276.25**	282.72
-Other	**68,464.16**	72,354.94
Other payables		
Deposits from contractors and others	**2,086.90**	1,414.14
Payable to NTPC Ltd (Joint venturer)	**790.43**	1,395.11
Payable to employees	**1,129.75**	1,570.59
Others	**155.39**	688.63
Total	**1,05,140.59**	92,475.60

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 14.

b) Detailed disclosures as required under MSMED Act, 2006 are provided in Note 33.

c) Deposits from contractors and others include INR 128.86 lakh (31 March 2019: INR 517.92 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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19. Current Liabilities - Other current liabilities

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Tax deducted at source and other statutory dues	756.45	509.57
Advance from customers	48.35	25.05
Total	**804.80**	534.62

20. Current Liabilities - Provisions

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Provision for		
Obligations incidental to land acquisition	**712.80**	1,195.14
Long service award and farewell gift to employees	**0.49**	-
Other	**-**	98.30
Total	**713.29**	1,293.44

a) Disclosure required by Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' is made in Note- 30(i)

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21. Deferred Revenue - Regulatory deferral account credit balances

Amount in ₹ lakh

Particulars	As at 31.03.2020	As at 31.03.2019
Exchange differences arises on transalation of other monetory items	**(1,040.38)**	153.49
Exchange Difference on Foreign currency loan	**(1,545.63)**	-
Deferred Tax	**17,519.58**	-
Total	**14,933.57**	**153.49**

a. Regulatory deferral account balances have been accounted in line with Accounting policy no. C.4. Refer Note 28 for detailed disclosures.

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22. Revenue from Operation

Amount in ₹ lakh

For the period / year ended on	31.03.2020	31.03.2019
Energy Sale		
Energy Sale	57,752.30	-
Other Operating Revenue		
Enegry Internally consumed	71.86	-
	57,824.16	-
Less: **Transferred to expenditure during construction period (net) - Note 24**	-	-
Total	57,824.16	-

a) The commercial operation date (COD) of Unit #1 declared on 30th April 2019. The Company has filled the tariff petition under Tariff Regulations, 2019 (Regulations, 2019) notified by CERC however CERC yet not approved the tarif therefore beneficiaries are provisionally billed in accordance with the principles given in the Regulations, 2019.

b) Energy sales are net of rebate to beneficiary amounting to Rs.33.79 lakh.

c) Energy internally consumed valued at variable cost of generation and corresponding amount of Rs. 71.86 lakh included in power charges in Note 26.

d) Unit#1 of the project was under break-down due to technical issue since 06.10.2019. The repair was undertaken by OEM and the unit has been made operational wef 26.03.2020

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23. Other income

Amount in ₹ lakh

For the period / year ended on	31.03.2020	31.03.2019
Interest from		
Advances to contractors	**234.38**	135.43
Other non-operating income		
Late Payment surcharge from beneficiary	**1,865.88**	-
Hire Charges for equipments	**24.10**	42.28
Sale of Scrap	**340.15**	811.76
Miscellaneous income	**87.92**	183.99
	2,552.43	1,173.46
Less: **Transferred to expenditure during construction period (net) - Note 27**	**639.53**	1,173.46
Total	**1,912.90**	-

a) Late payment surcharge includes a sum of Rs.1400.79 lakh which is yet not billed.
b) Miscellaneous income includes recoveries from contractors/suppliers, recovery for use of vehicle etc.

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24. Employee benefits expense

Amount in ₹ lakh

For the period / year ended on	31.03.2020	31.03.2019
Salaries and wages	7,170.20	7,718.36
Contribution to provident and other funds	1,854.78	1,614.53
Staff welfare expenses	1,189.74	945.74
	10,214.72	10,278.63
Less: Transferred to expenditure during construction period (Net)- Note 27	5,044.81	10,278.63
Total	5,169.91	-

a) In accordance with Significant Accounting Policy no. C.13, The employees of the Company are on secondment from the promoter company - NTPC Limited. Accordingly, these employee benefits are treated as defined contribution schemes.

b) The employee benefit are net of Rs. 186.08 lakh allocated to cost of fuel.

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25. Finance costs

Amount in ₹ lakh

For the period / year ended on	31.03.2020	31.03.2019
Finance charges on financial liabilities at amortised cost		
Foreign currency term loans	**3,242.75**	3,034.00
Rupee term loans	**57,548.83**	47,361.19
Cash Credit	**1,726.73**	6.81
Unwinding of discount on vendor liabilities	**382.33**	696.12
Less: Interest received from banks and others	**290.52**	157.07
	62,610.12	50,941.05
Exchange difference regarded as an adjustment to Borrowing cost	**1,532.53**	442.86
Other borrowing costs		
Others	**168.60**	37.02
	1,701.13	479.88
Sub-Total	**64,311.25**	51,420.93
Less: Transferred to expenditure during construction period (Net) - Note 27	**25,889.90**	51,420.93
Total	**38,421.35**	-

a) Exchange difference regarded as borrowing costs includes INR 770.85 lakh (31st March 2019 INR Nil) represents exchange difference post after Commercial Operation Date (CO D)of the Unit # 1 recoverable in future from beneficiaries of which corresponding credit considered in Statement of Profit & loss as Regulatory Deferral account Refer Note No. 28 and accounted as Redulatory Deferral Account debit balance Refer Note No. 11.

26. Generation, Administration & other expenses

Amount in ₹ lakh

For the period / year ended on		31.03.2020		31.03.2019
Power charges	**689.38**		693.59	
Less: Recovered from contractors & employees	**135.19**	**554.19**	102.59	591.00
Water charges		**100.73**		53.50
Rent		**0.00**		8.40
Repairs & maintenance				
Buildings		**479.08**		658.60
Plant & machinery		**5292.99**		964.39
Others		**189.79**		129.04
Insurance		**593.67**		110.83
Rates and taxes		**37.03**		40.23
Training and Recruitment expenses		**70.16**		8.34
Professional Charges & Consultancy fee		**214.59**		92.96
Communication expenses		**225.33**		137.54
Travelling expenses		**576.40**		511.01
Tender expenses	**3.70**		37.53	
Less: Receipt from sale of tenders	**0.64**	**3.06**	1.20	36.33
Payment to auditors (refer details below)		**6.50**		3.44
Advertisement and publicity		**12.91**		20.25
Security expenses		**2428.49**		2,020.33
Expenses for guest house	**128.71**		104.93	
Less: Recoveries	**19.10**	**109.61**	16.28	88.65
Education Expenses		**45.29**		29.83
Ash Utilisation & Marketing Expenses		**11.44**		–
Books and periodicals		**2.81**		1.33
Legal expenses		**153.33**		246.44
EDP hire and other charges		**61.75**		36.12
Printing and stationery		**19.80**		15.77
Hire Charge of Construction equipment		**57.01**		66.94
Net loss/Gain in Foreign currency transaction and translation		**774.78**		–
Hiring of vehicles		**351.83**		365.72
Bank charges		**(327.91)**		(1,623.69)
Miscellaneous expenses		**129.56**		204.50
Entertainment Expenses		**108.62**		19.92
Horticulture Expenses		**140.24**		57.27
		12,423.08		4,894.99
Less: Transferred to expenditure during construction period (Net) - Note 27		**2,301.21**		4,883.21
		10,121.87		11.78

a) Details in respect of payment to auditors:

	31.03.2020	31.03.2019
As auditor		
Audit fee	3.12	2.01
Tax Audit Fees	1.12	0.94
Reimbursement of expenses	0.63	0.31
Certification fees	1.63	0.18
	6.50	3.44

a) Net loss/Gain in Foreign currency transaction and translation accounted as expenses INR 774.78 lakh (FY 2018-19 :INR Nil) represents exchange difference other than borrowing cost after Commercial Operation Date (COD) of the Unit #1 which is recoverable in future from the beneficiaries therefore corresponding credit considered in Statement of Profit & Loss as Regulatory Deferral account Refer Note No. 28 and accounted as Regulatory difference account debit balance in Note No. 11.

b) Bank charges are net of reversal INR 353.12 lakh (FY 2018-19 :INR 1628.89 lakh).

c) The repairs and maintenance - plant & machineries expenses are net of Rs. 498.47 lakh allocated to cost of fuel.

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27. Expenditure during construction period (net)

Amount in ₹ lakh

For the period / year ended on		31.03.2020		31.03.2019
A. Employee benefits expense				
Salaries and wages		3488.74		7718.36
Contribution to provident and other funds		912.23		1614.53
Staff welfare expenses		643.84		945.74
Total (A)		5,044.81		10,278.63
B. Finance Cost				
Interest on Foreign currency term loan	1,712.85		3034.00	
Interest of Rupee Term Loan	23,452.05		47361.19	
Cash Credit utilised for Construction	0.00		6.81	
Unwinding of discount on vendor liabilities	145.59		696.12	
Exchange difference regarded as an adjustment to Borrowing cost	814.80		479.88	
Other Cost	55.12		0.00	
	26,180.41		51,578.00	
Less: Interest received from banks and others	290.51		157.07	
Total (B)		25,889.90		51,420.93
C Depreciation and amortisation		238.88		840.44
D. Generation , administration and other expenses				
Power charges	383.58		693.59	
Less: Recovered from contractors & employees	128.91		102.59	
		254.67		591.00
Water charges		0.00		53.50
Rent		0.00		8.40
Repairs & maintenance				
Buildings	124.45		658.60	
Plant and machinery	51.89		964.39	
Others	27.23		129.04	
		203.57		1,752.03
Insurance		5.51		110.83
Rates and taxes		(12.09)		40.23
Professional charges & Consultancy fee		43.32		92.96
Communication expenses		104.71		137.54
Travelling expenses		271.04		511.01
Tender expenses	0.00		37.53	
Less: Income from sale of tenders	-		1.20	
		0.00		36.33
Advertisement and publicity		0.00		20.25
Security expenses		1279.72		2020.33
Guest house expenses	56.56		104.93	
Less: Receipts from Guest House	8.59		16.28	
		47.97		88.65
Education Expenses		19.90		29.83
Books and periodicals		0.01		1.33
Legal expenses		142.74		246.44
EDP hire and other charges		21.87		36.12
Printing and stationery		0.76		15.77
Miscellaneous expenses		10.51		261.77
Hire of Construction Equipment		57.01		66.94
Hiring of Vehicles		154.87		365.72
Bank Charges (Net)		(352.98)		(1,623.69)
Entertainment expenses		48.10		19.92
Total (D)		2,301.21		4,883.21
Total (A+B+C+D)		33,474.80		67,423.21
E. Less: Other income				
Interest from Advances to Contractor		234.38		135.43
Hire Charges for equipments		21.77		42.28
Sale of Scrap		340.17		811.76
Miscellaneous Income		43.02		183.99
Total (E)		639.34		1,173.46
Grand Total (A+B+C+D-E+F)*		32,835.46		66,249.75
*** Carried to capital work-in-progress - (Note 2(a))**		32835.46		66249.75

28. Net Movement in Regulatory deferral account

Amount in ₹ lakh

For the period / year ended on		31.03.2020	31.03.2019
A	**Opening Balance**		
B	**Addition during the year**		
	Net gain/ loss on foreign currency loan translation/transaction	1,545.63	-
	Deferred tax	(17,519.58)	
C	**Amount Collected/ Refunded during the year**	-	
D	**Regulatory deferral account balances recognised in the statement of Profit & loss (B+C)**	(15,973.95)	
E.	**Closing Balance (A+D)**	(15,973.95)	-

(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.

.ne 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
ii) 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 ₹ lakh

Particulars	31 March 2020	31 March 2019
A. Opening balance	(153.49)	(153.49)
B. Addition during the year		
Recoverable beneficiaries - Vendor Balances transalation	1,193.87	
C. Amount collected/refunded during the year	-	-
D. Movements in regulatory deferral account balances - Exchange difference Foreign Currecncy Loan	1,545.63	-
E. Regularory difference - Deferred Tax	(17,519.58)	
E. Closing balance (Refer Note No. 21)	(14,933.57)	(153.49)

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29 a) The Company has a system of obtaining periodic confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of bank accounts and borrowings from banks & financial institutions. With regard to receivables for energy sales, the Company sends demand intimations to the beneficiaries with details of amount paid and balance outstanding which can be said to be automatically confirmed on receipt of subsequent payment from such beneficiaries. In addition, reconciliation with beneficiaries and other customers is generally done on quarterly basis. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters 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 and non-current investments, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet .

30 a) Disclosure as per Ind-As 1 - Presentation of Financial Statement

i. During the year no significant changes are made in the accounting policy followed by the compsny.

ii. Reclassification and comparative figures:
Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements and to ensure compliance with the Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013.
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:

Items of balance sheet before and after reclassification

Particulars	**Note No**	**Before reclassification (As on 31/03/2019)**	**Amount of Reclassification**	**After reclassification**
Other Financial Assets	9	19.68	(19.02)	0.66
Other Current Assets	10	3,344.80	19.02	3,363.82
Trade Payable	17	2,802.49	(2.96)	2,799.53
Other Financial Liabilities	18	92,458.83	2.96	92,461.79
Current Financial Assets : Other bank balances	9	-	224.49	224.49
Cash & cash equivalents	8	7,960.34	(224.49)	7,735.85

Items of statement of profit and loss before and after reclassification Amount in ₹ lakh

Particulars	**Note No**	**Before reclassification (As on 31/03/2019)**	**Amount of Reclassification**	**After reclassification**
Nil		Nil	Nil	Nil

Items of statement of cash flows before and after reclassification Amount in ₹ lakh

Particulars	**Before reclassification (As on 31/03/2019)**	**Amount of Reclassification effect**	**After reclassification**
Cash generated from operations			
Trade Payables	1,659.32	(11.06)	1,648.26
Other financial liabilities	2,751.48	11.06	2,762.54
Other financial assets	(17.56)	19.02	1.46
Other current assets	(732.79)	(19.02)	(751.81)
Bank Balances Other than Cash & Cash Equivalent	-	224.49	224.49
Cash & cash equivalents	7,960.34	(224.49)	7,735.85

30 b) Disclosure as per Ind-AS-2 Inventories

i. Amount of inventories consumed and recognised as expense during the year is as under: Amount in ₹ lakh

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Fuel Cost	38,472.13	-
Others (Included in Note -26)	1,117.33	44.38
Total	39,589.46	44.38

Others represents store & spares consumed included in repairs & maintenances.

ii. Carrying amount of inventories hypothecated as security for borrowings as at 31 March 2020 is INR 26851.03 lakh (31 March 2019: Rs.4181.72 lakh)

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30 c) Disclosure as per Ind-AS-12 Income tax Expenses

Income Tax Expenses

i. **Income Tax recognised in the statement of profit & loss :**

Amount in ₹ lakh

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Current Tax Expenses		
Current Year	-	41.00
Adjustment for earlier years	-	162.58
Total	-	203.58
Deferred Tax Expenses		
Obligation and reversal of temporary differences*	(17,519.58)	-
Total Deferred Tax expenses	(17,519.58)	-

	Amount in ₹ lakh
* Difference in book depreciation and tax depreciation	35,370.43
Carry forward of lossess under Income Tax Act	(52,890.01)
	(17,519.58)

a) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

30 d) **Disclosure as per Ind AS 116 'Leases'**

i. **Transition to Ind AS 116**

(a) Effective 1 April 2019, the Company adopted Ind AS 116 'Leases' and applied the standard to all lease contracts existing on 1 April 2019, using the modified retrospective method. Accordingly, the comparatives as at and for the year ended 31 March 2019 have not been restated. On the date of initial application, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate at the date of initial application and a corresponding right-of-use asset adjusted for the amount of prepaid or accrued payments on the lease.

(b) The Company has applied the following practical expedients on initial application of Ind AS 116:
(i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
(ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
(iii) Excluded the initial direct costs, if any, from the measurement of the right-of-use asset at the date of initial application.
(iv) Elected to use the practical expedient not to apply this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.
(v) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

(c) On transition to Ind AS 116, the Company has recognised lease liabilities and equivalent amount of right-of-use assets amounting to Rs. Nil.

ii **Company as Lessee**

(i) The Company's significant leasing arrangements are in respect of Premises for guest houses/ transit camps on lease which are not non-cancellable and are usually renewable on mutually agreeable terms. Lease payments in respect of premises for offices and guest house/transit camps amounting INR Nil (31 March 2019: INR 8.40 lakh) are included under 'Rent' in Note 26 – 'Generation, administration and other expenses'.

30 e) **Disclosure as per Ind AS -19 'Employee Benefits'**

Defined Contribution plans

In accordance with Significant Accounting Policy no. C.12, The employees of the Company are on secondment from the holding company. Accordingly, these employee benefits are treated as defined contribution schemes. An amount of INR 1483.02 lakh (31 March 2019: INR 1266.52 lakh) towards provident fund, gratuity, post retirement medical facilities, and other terminal benefits, and INR 371.76 lakh (31 March 2019: INR 355.61 lakh) towards leave and other benefits is paid/payable to the Promoter Company, and are included under 'Employee benefit Expenses' (Note-24) .

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30 c) Disclosure as per Ind-AS-12 Income tax Expenses

Income Tax Expenses

i. **Income Tax recognised in the statement of profit & loss :**

Amount in ₹ lakh

Particulars	For the year ended 31st March 2020	For the year ended 31st March 2019
Current Tax Expenses		
Current Year	-	41.00
Adjustment for earlier years	-	162.58
Total	-	203.58
Deferred Tax Expenses		
Obligation and reversal of temporary differences*	(17,519.58)	-
Total Deferred Tax expenses	(17,519.58)	-

	Amount in ₹ lakh
* Difference in book depreciation and tax depreciation	35,370.43
Carry forward of lossess under Income Tax Act	(52,890.01)
	(17,519.58)

a) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

30 d) **Disclosure as per Ind AS 116 'Leases'**

i. **Transition to Ind AS 116**

(a) Effective 1 April 2019, the Company adopted Ind AS 116 'Leases' and applied the standard to all lease contracts existing on 1 April 2019, using the modified retrospective method. Accordingly, the comparatives as at and for the year ended 31 March 2019 have not been restated. On the date of initial application, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate at the date of initial application and a corresponding right-of-use asset adjusted for the amount of prepaid or accrued payments on the lease.

(b) The Company has applied the following practical expedients on initial application of Ind AS 116:

(i) Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

(ii) Applied the exemption not to recognize right-of-use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

(iii) Excluded the initial direct costs, if any, from the measurement of the right-of-use asset at the date of initial application.

(iv) Elected to use the practical expedient not to apply this Standard to contracts that were not previously identified as containing a lease applying Ind AS 17. Accordingly, Ind AS 116 is applied only to contracts that were previously identified as leases under Ind AS 17.

(v) Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

(c) On transition to Ind AS 116, the Company has recognised lease liabilities and equivalent amount of right-of-use assets amounting to Rs. Nil.

ii **Company as Lessee**

(i) The Company's significant leasing arrangements are in respect of Premises for guest houses/ transit camps on lease which are not non-cancellable and are usually renewable on mutually agreeable terms. Lease payments in respect of premises for offices and guest house/transit camps amounting INR Nil (31 March 2019: INR 8.40 lakh) are included under 'Rent' in Note 26 – 'Generation, administration and other expenses'.

30 e) **Disclosure as per Ind AS -19 'Employee Benefits'**

Defined Contribution plans

In accordance with Significant Accounting Policy no. C.13, The employees of the Company are on secondment from the holding company. Accordingly, these employee benefits are treated as defined contribution schemes. An amount of INR 1483.02 lakh (31 March 2019: INR 1266.52 lakh) towards provident fund, gratuity, post retirement medical facilities, and other terminal benefits, and INR 371.76 lakh (31 March 2019: INR 355.61 lakh) towards leave and other benefits is paid/payable to the Promoter Company, and are included under 'Employee benefit Expenses' (Note-24).

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30 f) 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 upto 31.03.2020**
Shri A. K. Gautam	**Chairman wef 04.04.2020**
Shri R S Rathee	**Non Executive director Upto 27.04.2018**
Shri Sudhanshu Dwivedi	**Non Executive director wef 16.05.2017 upto 30.06.2019**
Shri B S Tiwari	**Non Executive director wef 01.02.2017 upto 29.06.2019**
Shri K K Singh	**Non Executive director wef 02.05.2018 upto 14.01.2020**
Shri Mohit Bhargav	**Non Executive director wef 22.09.2017**
Shri Subir Chakratorty	**Non Executive director wef 20.11.2017**
Shri Sanjay Tewary	**Non Executive director wef 31.08.2019**
Shri Ajit Kumar Tewary	**Non Executive director wef 31.08.2019**
Shri Rajeev Kanakkalil Sridhar	**Non Executive director wef 21.01.2020**
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 ₹ lakh

Particulars	NTPC Limited and its joint ventures		UPRVUNL	
	2019-20	2018-19	2019-20	2018-19
i) Issue of shares	32,231.00	5,000.00	32,231.00	5,000.00
ii) Application money Pending for allotment	-	6,000.00	-	5,000.00
iii) Contracts for works/services received by the Company for	589.99	2,396.09	-	-
iv) Employees deputed on secondment basis	604.68	1,384.69	-	-
v) Manpower services	16.64	20.48	-	-
vi) Rent , Lease & other misc.	117.66	6.45	-	-

B) Compensation to Key management personnel

Amount in ₹ lakh

Particulars	2019-20	2018-19
- Short term employee benefits	49.09	62.02
- Post employment benefits	3.34	8.96
- Other long term benefits	0.29	32.53
Total Compensation to Key management personnel	**52.72**	**103.51**

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

Amount in ₹ lakh

Name of the Company	TYPE	Nature of	2019-20	2018-19
RITES LTD	GOI. PSU	Capital work	(14.03)	17,036.33
BHEL	GOI. PSU	Capital work	2,208.95	2,440.76
SAIL	GOI. PSU	SUPPLY STEEL	3,075.79	3,186.26
EED-UPPCL	UP GOV ENTITY	Capital work	516.73	4,167.34
HPCL	GOI. PSU	SUPPLY OF HSD	1,331.50	1,664.66
PGCIL	GOI. PSU	Capital work	98.67	712.32
PGCIL	GOI. PSU	Other	-	748.02
BRIDGE & ROOF CO LTD	GOI. PSU	Capital work	35.76	219.03
IOCL	GOI. PSU	Supply of LDO	4,925.40	2,812.88
IOCL	GOI. PSU	Capital work	-	-
SOUTH EASTERN COALFIELD LIMITED	GOI. PSU	Other	4,978.39	1,784.70
BPCL	GOI. PSU	Other	1,275.17	-
BEML LIMITED	GOI. PSU	Supply	552.03	354.53
DFCCIL	GOI. PSU	Freight	-	27.14
NSIC LTD	GOI. PSU	Other	0.83	-

UTILITY POWERTECH LIMITED	JV of NTPC	Services	1,455.25	-

C. A) Outstanding balances receivable from related parties are as follows:

Amount in ₹ lakh

Particulars		31 March 2020	31 March 2019
NTPC Ltd	For Purchase of Goods & Services	-	1.24
UPL	For Purchase of Goods & Services	506.62	2.08
RITES LTD	For Purchase of Goods & Services	33.27	104.23
BHEL	For Purchase of Goods & Services	77.48	20.91
BRIDGE & ROOF CO LTD	For Purchase of Goods & Services	0.04	65.91
BPCL	For Supply of Fuel	5.08	-
SOUTH EASTERN COALFIELD LIMITED	For Coal Procurement	26.55	27.22

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

Amount in ₹ lakh

Particulars		31 March 2020	31 March 2019
NTPC Ltd	For Services Consultancy & others	74.32	2,060.75
NTPC Ltd	For employees deputed on secondment basis	754.73	1,359.40
UPL	For Manpower Services	698.31	381.06
BRIDGE & ROOF CO LTD	For Services & Others	414.48	441.24
SAIL	For Supply of Steel	1,095.94	687.97
BHEL	For Capital Work	4,628.78	4,594.00
RITES LTD	For Capital Work	863.80	1,091.15
PGCIL	For Services & Others	24.46	18.97
INDIAN OIL CORPORATION	For Supply of Fuel	20.63	-
E.E. E.D.D.I,UPPCL	For Others	124.71	-
BPCL	For Supply of Fuel	8.47	-
BEML	For Capital Work	0.51	-

C) Advances Balances to related parties are as follows:

Amount in ₹ lakh

Particulars	31 March 2020	31 March 2019
BHEL	55.61	51.08
BPCL	19.45	214.07
BRIDGE & ROOF CO LTD	1.57	1.57
HPCL	181.49	600.93
INDIAN OIL CORPORATION LIMITED	1,183.68	1,259.30
POWERGRID CORPORATION OF INDIA LTD	569.89	569.89
SOUTH EASTERN COALFIELDS LIMITED	2,515.79	992.44
RITES LIMITED	189.65	279.50

D. **Terms and conditions of transactions with the related parties:**

i. 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.

ii. 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.

iii. 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.

iv. 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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30 g) **Disclosure as per Ind-AS 33 on 'Earnings per Share'**

Amount In ₹

Basic and diluted earnings per share	**31 March 2020**	31 March 2019
Basic and diluted earnings per share		
(a) From operations including regulatory deferral account balances	(2.19)	(0.01)
(b) From regulatory deferral account balances	(0.58)	-
(c) From operations excluding regulatory deferral account balances	(2.77)	(0.01)
Diluted earnings per share		
From operations including regulatory deferral account balances (a)	(2.47)	(0.01)
From regulatory deferral account balances (b)	(0.65)	-
From operations excluding regulatory deferral account balances (a)-(b)	(3.12)	(0.01)
Nominal value per share	10	10

(a) Profit attributable to equity shareholders (used as numerator)	**31 March 2020**	31 March 2019
From operations including regulatory deferral account balances	(60,768.22)	(215.36)
From regulatory deferral account balances	(15,973.95)	-
From operations excluding regulatory deferral account balances	**(44,794.27)**	(215.36)

(b) Weighted average number of equity shares (used as denominator)	**31 March 2020**	31 March 2019
Opening balance of issued equity shares	**2,51,86,59,600**	2,41,86,59,600
Effect of shares issued during the year, if any	**25,05,51,093**	2,57,53,425
Weighted average number of equity shares for Basic EPS	**2,76,92,10,693**	2,44,44,13,025
Effect of dilution	**8,11,91,885**	1,23,01,370
Weighted average number of equity shares for Diluted EPS	**2,85,04,02,578**	2,45,67,14,395

30 h) **Disclosure as per Ind-AS 36 on 'Impairment of Assets'**

There are no external/internal indicators which leads to any impairment of assets of the company as required by Ind AS 36 'Impairment of Assets'. Based on management assessment no impairment losses arises and recognised during the year in accordance with Ind-AS 'Impairement of Assets' during the year (Up to 31/03/2019 : Rs. Nil)

30 i) **Disclosure as per Ind-AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets'**

Movements in provisions:

Amount in ₹ lakh

Particulars	**Provision for obligations incidental to**		**Other**	
	31 March 2020	31 March 2019	**31 March 2020**	31 March 2019
Carrying amount at the beginning of the year	**1,195.17**	1,572.47	**98.30**	211.26
Additions during the year		-	**0.49**	
Amounts used during the year	**(482.37)**	(377.30)	**(98.30)**	-
Reversal / adjustments during the year		-	-	(112.96)
Carrying amount at the end of the year	**712.80**	1,195.17	**0.49**	98.30

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.

30 j) **Disclosure as per Ind-AS 108 on 'Operating Segment'**

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 Company engaged in only one segment i.e. Generation and Sale of power to state utilities. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108 As on date the Company has no reportable segments as per the Chief operating decision maker (CODM) of the company.

Information about major customers : Revenue from customers under 'Generation of energy' segment which is more than 10% of the Company's total revenues, are as under:

Particulars	**For the year ended 31st March 2020**		For the year ended 31st March 2019	
	Amount in₹ lakh	**%age**	Amount in₹ lakh	%age
UPPCL	**47,983.30**	**83.31%**	-	-

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31 Contingent liabilities and commitments

a. Claims against the company not acknowledged as debts

1. Capital works

(i) A claim of Rs. 8575.30 lakh made in FY 2018-19. 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 11,808.51 lakh (31 March 2019: INR 11888.80 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 2019: INR 362.57 lakh) has been estimated.

3. Disputed tax matters

Disputed Income Tax/Sales Tax/Excise matters are pending before various Appellate Authorities amounting to INR 1407.58 lakh (31 March 2019: INR 1099.55 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 2019: INR 5127.46 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 2019: INR 18.14 lakh)

b. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31 March 2020 is INR 152500.45 lakh (31 March 2019: INR 155813.93 lakh).

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32 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.

I 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.

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 trade receivables, cash & cash equivalents and deposits with banks.

Trade Receivables

The company primarily sells electricity to bulk customers comprising mainly state power utilities owned by State Governments in India. The Company has a robust payment security mechanism in the form of Letters of Credit (LC) backed by the Tri Party Agreement (TPA among state Govt., RBI and MoP, GoI on behalf of CPSU/JVs). The sale of electricity by the Company is governed by CERC Tariff Regulations. CERC Tariff Regulations allow payment against monthly bill towards energy charges within a period of fourty five days from the date of bill and levy of surcharge @ 18% p.a. on delayed payment beyond fourty five days.

A default occurs when, in the view of management, there is no significant possibility of recovery of receivables after considering all available options for recovery.

These payment security mechanisms and levy of surcharge support the company to recover its dues on time. Further, due to sale of power to different state power utilities, therefore there is no concentration of credit risk.

Un-billed revenue primarily relates to the Company's right to consideration for work completed but not billed at the reporting date and have substantially the same risk characteristics as the trade receivables for the same type of contracts. The un-billed revenue are considered as Other Current Financial Asssets.

Cash and cash equivalents

The Company held cash and cash equivalents with banks having high rating.

Deposits with banks and financial institutions

In order to manage the credit risk the company held deposits with banks with high rating .

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(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 ₹ lakh

Particulars	31 March 2020	31 March 2019
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Cash and cash equivalents	7,749.72	7,735.85
Bank Balances Other than Cash & Cash Equivalents	224.49	224.49
Othr current financial institutions (Excl. Unbilled revenue)	7.76	-
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL) as per simplified approach		
Trade receivables	22,892.48	832.95
Other Current Financial Assets (incl Unbilled Revenue)	2,852.24	0.66
Total	33,726.69	8,793.95

(ii) Provision for expected credit losses

a) 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 recognized.

b) Financial assets for which loss allowance is measured using 12 month expected credit losses as per simplified approach

The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Further, management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full. Accordingly, no loss allowance for impairment has been recognised during the years.

(iii) Ageing of trade receivables

The ageing analysis opf trade receivables are given here under:

Ageing	Not due	0-30 days past due	31-60 days past due	60-90 days past due	91-120 days past due	More than 120 days past due	Total
Gross carrying amount as at 31 March 2020	191.52	34.46	284.81	88.78	1801.93	20490.98	22892.48
Gross carrying amount as at 31 March 2019	-	832.95	-	-	-	-	832.95

(iii) Reconciliation of impairement loss provision

No impairment allowance is recognised in respect of any other financial assets as the amounts of such allowances are not significant.

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32 Financial Risk Management

II 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 ₹ lakh

Particulars	31 March 2020	31 March 2019
Fixed-rate borrowings		
Foreign currency loans	7,635.37	9,281.14
Floating-rate borrowings		
Term loans	9,945.99	80,742.61
Foreign currency loans	352.89	451.13
Total	**17,934.25**	**90,474.88**

(ii) Maturities of financial liabilities

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

Amount in ₹ lakh

31 March 2020

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 Financial institution	-	-	10,848.00	43,392.00	5,96,614.01	6,50,854.01
Foreign currency loans	-	8,672.68	8,672.68	26,018.04	60,708.78	1,04,072.18
Trade and other payables	91,345.96	21,910.68	5,687.38	328.66	-	1,14,526.51

Amount in ₹ lakh

31 March 2019

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 Financial institution	-	-	29002.87	87008.61	464045.91	5,80,057.39
Foreign currency loans	-	3,774.64	7,549.28	22,647.84	57,174.99	91,146.75
Trade and other payables	5,069.74	79,221.55	1,381.69	1,284.28	-	95,261.32

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32 III Fair Value Measurements

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 in terms of INR as at March 31, 2020 and March 31, 2019 are as below:

31 March 2020

Amount in ₹ lakh

Particulars	USD	EURO	JPY	CHF	Total
Financial liabilities					
Foreign currency loans	15,484.36	-	88,587.82	-	1,04,072.18
Trade and other payables	2,439.88	11,902.96	6,180.16	10.78	20,533.78
Total	**17,924.24**	**11,902.96**	**94,767.98**	**10.78**	**1,24,605.96**

31 March 2019

Amount in ₹ lakh

Particulars	USD	EURO	JPY	CHF	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**

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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32 **Fair Value Measurements**

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 ₹ lakh

Particulars	31 March 2020	31 March 2019
Financial Assets		
Fixed-rate instruments		
Deposits with original maturity of less than 3 months	7513.82	5963.53
Total	7513.82	5963.53
Financial Liabilities		
Fixed-rate instruments		
Foreign currency loans	88587.82	85592.63
	85592.63	85592.63
Variable-rate instruments		
Foreign currency loans/notes	6193.73	5554.11
Rupee term loans	650854.01	580057.39
	657047.74	585611.50
Total	742640.37	671204.13

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 ₹ lakh

	Cash Flow (Increase in outflow) / (Reduction Inflow)	
	50 bp increase	**50 bp decrease**
31 March 2020		
Foreign currency loans	(31)	31
Rupee term loans	(3,254)	3,254
	(3,285)	3,285
31 March 2019		
Foreign currency loans	(28)	28
Rupee term loans	(2,900)	2,900
	(2,928)	2,928

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32 IV Fair Value Measurements

Amount in ₹ lakh

(a) Financial instruments by category

Particulars	31 March 2020			31 March 2019		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Trade receivables	-	-	22,892.48	-	-	832.95
Cash and cash equivalents	-	-	7,749.72	-	-	7,735.85
Bank balances other than cash and cash equivalents	-	-	224.49	-	-	224.49
Other financial assets	-	-	2,852.24	-	-	0.66
	-	-	**33,943.42**	-	-	**8,793.95**
Financial liabilities						
Borrowings	-	-	7,67,643.21	-	-	6,82,198.96
Trade payables	-	-	14,132.09	-	-	5,451.69
Payable for capital expenditure			68,740.41	-		72,637.66
Other financial liabilities	-	-	36,400.18	-	-	19,837.94
	-	-	**8,86,915.89**	-	-	**7,80,126.25**

(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 ₹ lakh

Particulars	Level	31 March 2020		31 March 2019	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities					
Rupee term loans	3	6,50,854.01	6,55,319.36	5,80,057	5,48,167
Foreign currency loans	3	1,04,072.17	1,04,072.17	91,147	91,147
Payable for capital expenditure	3	4,746.17	4,746.17	2,666	2,666
		7,59,672.35	7,64,137.70	6,73,870	6,41,980

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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32 V 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 Rs/ lakh

	31 March 2020	31 March 2019
Total Borrowings	7,35,405.50	6,67,429.49
Less : Cash and cash equivalent	7,749.72	7,735.85
Net debt	7,27,655.78	6,59,693.64
Total equity	2,60,643.48	2,67,949.70
Net debt to equity ratio	2.79	2.46

33 Information in respect of micro and small enterprises as at 31st March 2020 as required by Micro, Small and Medium

Amount in Rs/ lakh

Particulars	**31 March 2020**	**31 March 2019**
a) Amount remaining unpaid to any supplier:		
Principal amount	**257.73**	**348.41**
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 **A.** Due to outbreak of COVID-19 globally and in India, the Company has made initial assessment of likely adverse impact on business and financial risks.

The Company is in the business of generation and sale of electricity which is an essential service as emphasized by the Ministry of Power, Government of India. The Company has ensured the availability of its power plant to generate power and has continued to supply power during the period of lockdown. However, for the short term period the demand of power is expected to be lower and accordingly, the Company has to operate its power plants at lower load factor.

B. (i)The Company received notices of force majeure from some Distribution Companies (DISCOMs) in April 2020, raising issues like declaration of capacity/ non-payment of capacity/other charges etc. due to the operation of force majeure clause of the Power Purchase Agreements (PPA). It was clarified to all such DISCOMs that the said situation is not covered under force majeure clause, considering electricity falls under essential services. The Ministry of Power, Government of India, has clarified on 6 April2020 that DISCOMs will have to comply with the obligation to pay fixed capacity charges as per PPA. The Company is having sufficient stock of coal and has also planned for adequate availability of coal to maintain the required supply of electricity.

(ii) Ministry of Power (MoP) vide letter dated 28 March, 2020 directed CERC to reduce the rate of late payment surcharge (LPSC) for the payments which become delayed beyond a period of 45 days (from the date of presentation of the bill) during the period from 24 March 2020 to 30 June 2020, to contain the impact of COVID-19. On the directions of MoP, CERC issued order dated 3 April 2020 (with further clarifications on 6 April 2020), whereby it was directed that LPSC shall apply at a reduced rate of 12% instead of normal rate of 18% on payments becoming overdue during the said period. Due to the above, there is no impact on the profits for the year ended 31 March 2020. However, the LPSC for the year 2020-21 is expected to be lower consequently.

C. MoP vide communication dated 15 May 2020 and further clarification dated 16 May 2020, has informed that in light of the announcements under the AtmaNirbhar Bharat special economic and comprehensive package including liquidity infusion by PFC/REC of Rs 90,000 crore to DISCOMs against receivables and loans to be given against State Guarantees for exclusive purpose of discharging liabilities of DISCOMs to power generating companies and also giving rebate to DISCOMs by Central Power Generating Companies for passing on to the final consumers, it has been decided that all Central Public Sector Generation Companies may consider to offer following rebate to DISCOMs for the lockdown period:

- Deferment of capacity charges for power not scheduled, to be payable without interest after the end of the lockdown period in three equ: monthly instalments.
- Rebate of about 20-25% on power supply billed (fixed cost) to DISCOMs.

Keeping in view the above, the Company shall allow rebate to DISCOMs during the year 2020-21

D. The Company believes that the impact is likely to be short term in nature. Moreover, the above referred economic and comprehensive package is expected to improve the realisation of the company against the outstanding dues of DISCOMs due to liquidity infusion.

E. In respect of projects under construction, the associated effect of COVID-19 is being considered as force majeure as per GoI guidelines. Accordingly, the issues related with same shall be dealt with contractual provisions in the respective contracts. Since the Company is operating under regulatory environment, the company is confident that these cost implications would be suitably addressed while determining tariff for such projects.

The management does not anticipate any medium to long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. Further, the management has estimated its future cash flows which indicates no major change in the financial performance as estimated prior to COVID-19 impact.

For & on behalf of the Board of Directors

Arun Kumar	Navneet Goel	A.K. Samanta	Subir Chakravorty	Anil Kumar Gautam
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
UDIN:

Place: New Delhi
Dated : 10th June 2020

मेजा ऊर्जा निगम (प्रा.) लिमिटेड

(एनटीपीसी लिमिटेड एवं उ. प्र. रा. वि. उ. नि. का संयुक्त उपक्रम)

पंजीकृत कार्यालय: एनटीपीसी भवन, कोर–7,स्कोप कॉम्पलेक्स, इन्स्टीटयूशनल एरिया, लोधी रोड, नई दिल्ली–110 003

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