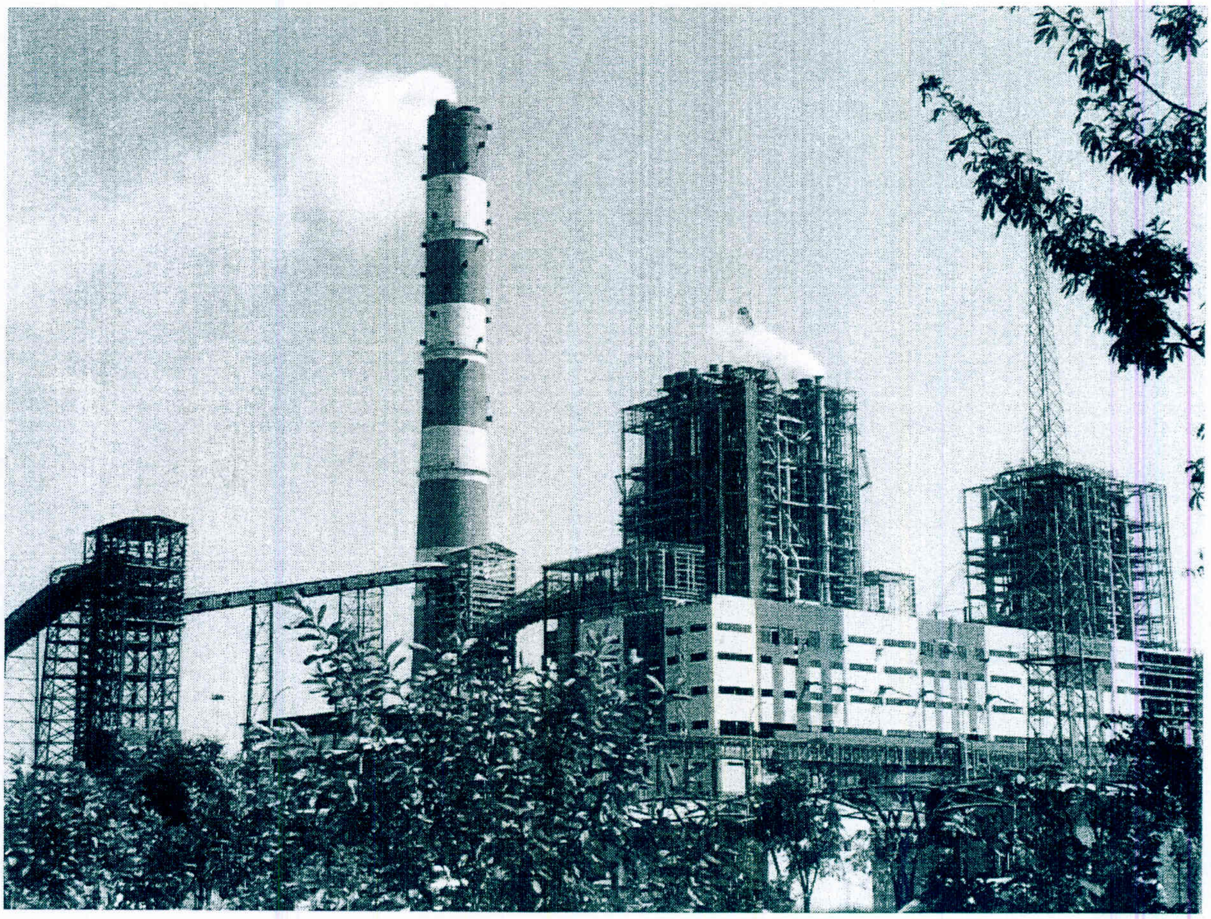
MEJA URJA NIGAM PVT LTD

(Joint Venture of NTPC Ltd & UPRVUN Ltd)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2018



ARUN MALHOTRA & ASSOCIATES
CHARTERED ACCOUNTANTS
D-44A, East of Kailash, New Delhi – 110065

TEL : 011 - 40765529
011 - 41827177
011 - 26226486
011 - 26211839
Email: ama@amadelhi.com

INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS

To

The Members of

M/s MEJA URJA NIGAM PRIVATE LIMITED

Report on the Ind AS financial statements

We have audited the accompanying Ind AS financial statements of **MEJA URJA NIGAM PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (Including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

ARUN MALHOTRA & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS:

(a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2018;

(b) In the case of Statement of Profit and Loss, of the loss for the year ended on that date; and

(c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

(d) In the case of Statement of Changes in Equity, of the changes in equity for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India in terms of sub-section (11) of Section 143 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 the **Annexure 1** a statement on the matters specified in the 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 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 Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement on Changes in Equity dealt with by this Report are in agreement with the books of account.

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

   (e) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5th June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company.

   (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to **Annexure 3**.

   (g) 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 on its financial position in its Ind AS financial statements. Refer Note 26 to the financial statements;

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

      iii. There were no amounts which were required to be transferred to Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made there under.

For ARUN MALHOTRA & ASSOCIATES
Chartered Accountants
(Firm Registration No.: 002563N)

ARUN MALHOTRA & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

Arun Malhotra
Partner
(Membership No.: 081452)

Place: New Delhi

Date: 17th May 2018

ANNEXURE 1 TO THE AUDITORS' REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our Report of even date) to the members of Meja Urja Nigam Pvt. Ltd., India on the accounts of the Company for the year ended 31st March, 2018

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

(i) In respect of its fixed assets:

(a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As per the information and explanation given to us, there is a regular program of physical verification of all fixed assets every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties are held in the name of the Company excepting 7.7458 acres valuing ` 111.62 lakhs of freehold land. The Company has taken appropriate steps for getting their title deeds in the name of the Company.

(ii) In respect of it's inventory:

According to the information and explanations given to us, the inventory has been physically verified by an independent firm of Chartered Accountants at reasonable intervals. 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 the 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 explanations given to us, the Company has not granted any loans, secured or unsecured to any companies, firms, limited liability partnership or other parties covered in register maintained under Section 189 of the Companies Act, 2013.

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

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

(v) The Company has not accepted deposits from the public. As such, the directives issued by the Reserve Bank of India, the provisions of Sections 73 to 76 or any other relevant provisions of the Companies 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 specified under sub-section (1) of Section 148 of the Companies Act, 2013 is not applicable to the Company, so this paragraph of the order is not applicable.

(vii)(a) Undisputed statutory dues including provident fund, income tax, sales-tax, wealth tax, service tax, custom duty, excise duty, value added tax, goods and service tax (gst), cess and other statutory dues have generally been regularly deposited with the appropriate authorities and there are no undisputed dues outstanding as on 31st March 2018 for a period of more than six months from the date they became payable.

(b) The disputed statutory dues aggregating to Rs. 3.68 crore that have not been deposited on account of matters pending before appropriate authorities are detailed below:

Sl. No	Name of Statute	Nature of dues	Forum where the dispute is pending	` crore
1.	Income Tax Act, 1961	Income Tax	CIT, Appeals	2.83
2.	Central Sales Tax and Sales Tax / VAT Acts of Various states	Sales Tax/ VAT / Entry Tax	Additional Commisioner of Sales Tax	0.85
	Total			**3.68**

ARUN MALHOTRA & ASSOCIATES
NEW DELHI
CHARTERED ACCOUNTANTS

(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 and 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) According to the information and explanations given to us and as represented by the Management and based on our examination of the books and records of the Company and in accordance with generally accepted auditing practices in India, we have been informed that no case of frauds has been committed on or by the Company or by its officers or employees during the course of our audit.

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

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

(xiii) According to the information and explanations given to us, the Company has complied with the provisions of Section 177 and 188 of the Companies Act, 2013 w.r.t. transactions with the related parties, where applicable. Details of the transactions with the related parties have been disclosed in Note No. 30 of the Ind AS 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.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with the directors or persons connected with him as covered under Section 192 of the Companies Act, 2013.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For ARUN MALHOTRA & ASSOCIATES
Chartered Accountants
(Firm Registration No. : 002563N)

ARUN MALHOTRA & ASSOCIATES * CHARTERED ACCOUNTANTS * NEW DELHI

Arun Malhotra
Partner
(Membership No.: 081452)

Place: New Delhi
Date: 17th May 2018

ANNEXURE 2 TO THE AUDITORS' REPORT

Annexure referred to in our report of even date to the members of MEJA URJA NIGAM PRIVATE LIMITED on the accounts for the year ended 31st March 2018

Sl. No.	Directions	Action Taken	Impact on financial statement
1	Whether the Company has clear title/lease deeds for freehold and leasehold land respectively? If not, please state the area of the the freehold and leasehold land for which title/lease deeds are not available.	The Company is having clear title/lease deeds for entire freehold and leasehold land excepting 7.7458 Hectares of freehold land valuing ` 1.12 crore. The Company has taken appropriate steps for getting clear title for such freehold land.	Nil
2	Whether there are any cases of waiver/write off of debts/loans/ interest etc., if yes, the reasons thereof and the amount involved.	According to information and explanations given to us, there are no cases of waiver/write off of debts/loans/interest etc.	Nil
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift/grants from Govt. or other authorities?	Proper records are maintained for inventories lying with third parties. No assets have been received as gifts/ grants from the Government or other authorities	Nil

For ARUN MALHOTRA & ASSOCIATES
Chartered Accountants
(Firm Registration No.: 002563N)

ARUN MALHOTRA & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

Arun Malhotra
Partner
(Membership No.: 081452)

Place: New Delhi
Date: 17th May 2018

ANNEXURE 3 TO THE AUDITORS' REPORT

Annexure referred to in our report of even date to the members of MEJA URJA NIGAM PRIAVTE LIMITED on the accounts for the year ended 31st March 2018

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of MEJA URJA NIGAM PRIVATE Limited ("the Company") as of 31st March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company and the 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

ARUN MALHOTRA & ASSOCIATES
NEW DELHI
CHARTERED ACCOUNTANTS

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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 31st March 2018, based on the internal control over financial reporting criteria established by the Company and the components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

For ARUN MALHOTRA & ASSOCIATES
Chartered Accountants
(Firm Registration No.: 002563N)

ARUN MALHOTRA & ASSOCIATES
NEW DELHI
CHARTERED ACCOUNTANTS

Arun Malhotra
Partner
(Membership No.: 081452)

Place: New Delhi
Date: 17th May 2018

MEJA URJA NIGAM PVT LTD, ALLAHABAD

Regd. Office: NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003

CIN: U74900DL2008PTC176247

BALANCE SHEET AS AT 31 MARCH 2018

Amt in Rs₹ Lakhs

Particulars	Note	As at 31.03.2018	As at 31.03.2017
ASSETS			
Non-current assets			
Property, plant and equipment	2	33,931.14	31,151.37
Capital work in progress	2(a)	8,25,912.24	6,81,904.37
Other intangible assets	2	236.41	250.82
Other non-current assets	3	21,661.56	19,605.77
Total Non-current assets		**8,81,741.35**	**7,32,912.33**
Current Assets			
Inventories	4	1,678.99	-
Financial assets			
Trade Receivables	5	129.05	-
Cash and cash equivalents	5A	5,211.77	9,591.11
Other bank balances	5A	-	25.58
Loans	6	1.19	0.43
Other financial assets	7	0.93	0.23
Other current assets	8	1,493.54	297.92
Total Current Assets		**8,515.47**	**9,915.27**
Total Assets		**8,90,256.82**	**7,42,827.60**
EQUITY & LIABILITIES			
EQUITY			
Equity Share capital	9	2,41,865.96	2,33,287.96
Other equity	10	5,299.10	5,317.97
Total Equity		**2,47,165.06**	**2,38,605.93**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	11	5,44,656.44	4,26,400.61
Other financial liabilities	12	3,000.88	41,223.76
Total Non-current liabilities		**5,47,657.32**	**4,67,624.37**
Current liabilities			
Financial liabilities			
Borrowings			
Trade payables	13	4,750.02	1,417.21
Other financial liabilities	14	88,303.68	30,485.21
Other current liabilities	15	452.17	364.22
Provisions	16	1,581.67	3,302.08
Total Current liabilities		**95,087.54**	**35,588.72**
Regulatory deferral account credit balances	17	**346.90**	1,008.58
TOTAL EQUITY AND LIABILITIES		**8,90,256.82**	**7,42,827.60**
Significant accounting policies	1		

The accompanying notes 1 to 33 form an integral part of these financial statements.

Arun Kumar	R.B.Pandey	Rakesh Samuel	B.S.Tiwari	S.Roy
Company Secretary	HOF	CEO	Director	Chairman

This is the Balance Sheet referred to in our report of even date.

For Arun Malhotra & Associates
Chartered Accountants
Firm Reg. No.002565N

ARUN MALHOTRA & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

(Arun Malhotra)
Partner
M No. 81462

Place: New Delhi
Dated 17.5.18

MEJA URJA NIGAM PVT LTD. ALLAHABAD

Regd. Office: NTPC Bhawan, Scope Complex, 7, Institutional Area, Lodhi Road, New Delhi-110003

CIN: U74900DL2008PTC176247

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

Amount in Rs₹ Lakh

Particulars	Note	For the year ended 31.03.2018	For the year ended 31.03.2017
Revenue			
Other income	18	-	-
Total Revenue		-	-
Expenses			
Employee benefits expense	19	-	-
Finance costs	20	-	-
Depreciation, amortization and impairment expense	2	-	-
Generation, administration & other expenses	21	18.87	8.75
Total expenses		**18.87**	**8.75**
Profit before tax and Rate Regulated Activities (RRA)		**(18.87)**	**(8.75)**
Add: Regulatory Income/(Expense)			
Profit before tax		**(18.87)**	**(8.75)**
Tax expense			
Current tax			
Current year			
Earlier years			
Tax expense/(saving) pertaining to RRA			
Deferred tax			
Less: Deferred asset for deferred tax liability			
Total tax expense			
Profit for the year		**(18.87)**	**(8.75)**
Other comprehensive income			
Other comprehensive income for the year, net of income tax		-	-
Total comprehensive income for the year		**(18.87)**	**(8.75)**
Significant accounting policies	1		
Expenditure during construction period (net)	22		
Earnings per equity share (Par value ₹ 10/- each)	23		
Basic (₹) (from operations including regulatory deferral account balances)		**(0.00)**	**(0.00)**
Basic (₹) (from operations excluding regulatory deferral account balances)		**(0.00)**	**(0.00)**
Diluted (₹) (from operations including regulatory deferral account balances)		**(0.00)**	**(0.00)**
Diluted (₹) (from operations excluding regulatory deferral account balances)		**(0.00)**	**(0.00)**

The accompanying notes 1 to 33 form an integral part of these financial statements.

For & on behalf of the Board of Directors

Arun Kumar	R B Pandey	Rakesh Samuel	B.S.Tiwari	S.Roy
Company Secretary	HOF	CEO	Director	Chairman

This is the Statement of Profit & Loss referred to in our report of even date.

For Arun Malhotra & Associates
Chartered Accountants
Firm Reg. No.002563N

ARUN MALHOTRA & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

(Arun Malhotra)
Partner
M No. 81452

Place: New Delhi
Dated 17-5-18

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

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

Amount in ₹ lakhs

	Particulars	31.03.2018	31.03.2017
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net Loss as per Statement of profit & Loss	(18.87)	(8.75)
	Adjustment for		
	-Depreciation/Amortization	793.35	713.52
	-Interest cost	38,758.96	39,496.17
	-Re-measurement of vendor Liabilities	7,435.98	3,859.46
	-Regulatory Income(Expenses)	(661.68)	1,008.58
	-Operating Profit/(Loss) before working Capital Change	**46,307.74**	45,068.98
	Adjustment for:		
	-Trade Payables	3,332.81	1,244.96
	-Other financial liabilities	12,159.61	12,798.04
	-Other current liabilities	67.95	(62.53)
	-Provisions	(1,720.41)	(50.60)
	-Inventories	(1,678.99)	-
	-Trade Receivables	(129.05)	-
	-Other financial assets	(1.46)	184.63
	-Other current assets	(3,251.41)	9,335.37
	Cash generated from operations	**55,086.79**	68,518.85
	Income Tax Paid/(Refund)	-	-
	Net Cash from Operating Activities - A	**55,086.79**	68,518.85
B.	**CASH FLOW FROM INVESTING ACTIVITIES**		
	-Deposits with banks	25.58	18.05
	-Purchase of fixed assets & CWIP	(1,47,566.58)	(1,61,638.29)
	Net Cash Flow from Investing Activities - B	**(1,47,541.00)**	(1,61,620.24)
C.	**CASH FLOW FROM FINANCING ACTIVITIES**		
	-Proceeds from issue of Share	8,578.00	65,000.00
	-Proceeds from Long Term Borrowing	1,18,255.83	72,911.61
	-Interest and Finance Charges Paid	(38,758.96)	(39,496.17)
	Net Cash Flow from Financing Activities - C	**88,074.87**	98,415.44
	Net increase/Decrease in Bank balances (A+B+C)	**(4,379.34)**	5,314.05
	Cash and cash equivalent at the beginning of the year(See Note 1 below)	**9,591.11**	4,277.06
	Cash and cash equivalent at the end of the year(See Note 1 below)	**5,211.77**	9,591.11

Note:

1 Cash & cash equivalent included in the cash flow statement comprise of the following balance sheet amount as per note 5 & 5A

	31.03.2018	31.03.2017
Cash & Cash Equivalents	**5,211.77**	9,591.11
	5,211.77	9,591.11

The accompanying notes 1 to 33 form an integral part of these financial statements.

For & on behalf of the Board of Directors

Arun Kumar	R B Pandey	Rakesh Samuel	B.S.Tiwari	S.Roy
Company Secretary	HOF	CEO	Director	Chairman

For Arun Malhotra & Associates
Chartered Accountants
Firm Reg. No. 002563N

ARUN MALHOTRA & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

(Arun Malhotra)
Partner
M No. 81952

Place: New Delhi
Dated 17-5-18

1. Company Information and Significant Accounting Policies

A. Reporting entity

Meja Urja Nigam Private Limited (the "Company") is a 50:50 Joint Venture Company of NTPC Ltd and Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd, domiciled in India and limited by shares (CIN: U74900DL2008PTC176247). The address of the Company's registered office is NTPC Bhawan Core 7 , SCOPE Complex, 7 Institutional Area, Lodi Road, New Delhi - 110003. The Company is primarily involved in the construction of super critical 2X660 MW Meja Thermal Power Project , Generation and Bulk sale of power to state Utilities , at Village Kohdar in Allahabad District of Uttar Pradesh.

B. Basis of preparation

1. Statement of Compliance

These Ind AS financial statements are prepared on going concern basis following accrual basis of accounting and comply with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 and subsequent amendments thereto, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.

These financial statements were authorized for issue by Board of Directors on 17th May 2018 .

2. Basis of measurement

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

- Certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments).

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

3. Functional and presentation currency

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

4. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.
An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

C. Significant accounting policies

ARUN MALHOTRA & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

Significant Accounting Policies for FY 2017-18

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 and 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. Therefore, the carrying amount of property, plant and equipment and intangible assets at 1 April 2015, the Company's date of transition to Ind AS, according to the previous GAAP were maintained in transition to Ind AS.

1. Property, plant and equipment

1.1. Initial recognition and measurement

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

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

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

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

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

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

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.

1.2. Subsequent costs

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred will flow to the enterprise and the cost of the item can be measured reliably.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

1.3. Decommissioning costs

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

1.4. Derecognition

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

1.5. Depreciation/amortization

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

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

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

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

Assets costing up to INR 5,000/- are fully depreciated in the year of acquisition.

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

Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/ amortization.

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

2. Capital work-in-progress

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

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

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

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

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3. **Intangible assets and Intangible assets under development**

3.1 Initial recognition and measurement

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

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

3.2 Derecognition

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

3.3 Amortisation

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.

4. **Regulatory Deferral account balances**

Expenses/income recognized in the statement of Profit & Loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized as 'Regulatory deferral account balances'

Regulatory deferral accounts balances are adjusted from the year in which the same become recoverable from or payable to the beneficiaries

5. **Borrowing costs**

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalized as part of cost of such asset until such time the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

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

Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Income earned on temporary investment of the borrowings pending their expenditure on the qualifying assets is deducted from the borrowing costs eligible for capitalization. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

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

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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 and surplus stores & spares is ascertained on review and provided for.

7. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and 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. Provisions and contingent liabilities

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 any reimbursement.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Contingent liabilities are disclosed on the basis of judgment of the management. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

9. Foreign currency transactions and translation

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

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

Non-monetary items are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

10. Income recognition

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

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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.

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

11. Employee Benefit Expenses

All employees of the Company are on secondment from the Promoter Company, NTPC Limited. Employee benefits include provident fund, gratuity, post-retirement medical facilities, compensated absences, long service awards, economic rehabilitation scheme, and other terminal benefits. Company's contribution towards these employee benefits, is determined as a percentage of basic pay and dearness allowance under an agreement, and is recognised in the financial statements accordingly.

Short term employee benefits are recognised as an expense at the undiscounted amount in the financial statements for the year in which the related services are rendered.

12. Other Expenses

Expenses on ex-gratia payments under voluntary retirement scheme, training & recruitment and research & development are charged to revenue in the year incurred.

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

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.

Voluntary community development expenditure is charged to statement of profit & loss in the year incurred.

Liquidated damages, wherever there is uncertainty of realization/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance and netted off from related expenses/ project costs.

13. Leases

Operating Lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating lease. Payments made under operating leases are recognized as an expense over the lease term. Lease incentives received are recognized as an integral part of the total lease expense, over the term of the lease.

14. Impairment of non-financial assets

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

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

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

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Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

15. 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 prior period presented, the opening balances of assets, liabilities and equity for the earliest prior period presented, are restated.

16. Earnings per Share

Basic earnings per equity share is computed by dividing the net profit 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 attributable to equity shareholders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

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

17. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Ind AS 7 'Statement of Cash Flows'.

18. 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.

19.1 **Financial assets**

Initial recognition and measurement

All financial assets are recognized initially at fair value plus or minus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition or issue of the financial asset.

Subsequent measurement

Debt instruments at amortized cost

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

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from impairment are recognized in the profit or loss. This category generally applies to trade and other receivables.

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Derecognition

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

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

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

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, trade receivables and bank balance.

(b) Trade receivables under Ind AS 18.

(c) Loan commitments which are not measured as at FVTPL.

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

19.2 Financial liabilities

Initial recognition and measurement

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

Subsequent measurement

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

Financial liabilities at amortized cost

After initial measurement, such financial liabilities are subsequently measured at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the profit or loss. This category generally applies to trade payables and other contractual liabilities.

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Derecognition

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

D. Use of estimates and management judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that may impact the application of accounting policies and the reported value of assets, liabilities, income, expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In order to enhance understanding of the financial statements, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is as under:

1. Useful life of property, plant and equipment

The estimated useful life of property, plant and equipment 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 is determined by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.

The Company reviews at the end of each reporting date the useful life of property, plant and equipment, other than the assets of generation of electricity business which are governed by CERC Regulations, and are adjusted prospectively, if appropriate.

2. Recoverable amount of property, plant and equipment

The recoverable amount of plant and equipment 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.

3. Provisions and contingencies

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

ARUN MALHOTRA & ASSOCIATES
NEW DELHI
CHARTERED ACCOUNTANTS

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

STATEMENT OF CHANGES IN EQUITY

(A). Equity Share Capital

For the year ended 31 March 2018

Amount in ₹ lakhs

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

For the year ended 31 March 2017

Amount in ₹ lakhs

Balance as at 1 April 2016	Changes in equity share capital during the year	Balance as at 31 March 2017
1,68,287.96	65,000.00	2,33,287.96

(B). Other Equity

For the year ended 31 March 2018

Amount in ₹ lakhs

	Reserves & Surplus	Other comprehensive income	Total
	Retained Earnings		
Balance as at 1 April 2017	5,317.97	-	5,317.97
Profit for the year	(18.87)	-	(18.87)
Other comprehensive Income	-	-	-
Total Comprehensive Income	**(18.87)**	-	**(18.87)**
Adjustment during the year			-
Transfer to Retained earnings			-
Transfer from Retained earnings			-
Balance as at 31 March 2018	**5,299.10**	-	**5,299.10**

For the year ended 31 March 2017

Amount in ₹ lakhs

	Reserves & Surplus	Other comprehensive income	Total
	Retained Earnings		
Balance as at 1 April 2016	5,326.72	-	5,326.72
Profit for the year	(8.75)		(8.75)
Other comprehensive Income		-	-
Total Comprehensive Income	**(8.75)**	-	**(8.75)**
Adjustment during the year			-
Transfer to Retained earnings			-
Transfer from Retained earnings			-
Balance as at 31 March 2017	**5,317.97**	-	**5,317.97**

For & on behalf of the Board of Directors

Arun Kumar Company Secretary	R B Pandey HOF	Rakesh Samuel CEO	B.S.Tiwari Director	S.Roy Chairman

For Arun Malhotra & Associates
Chartered Accountants
Firm Reg. No. 002563N

(Arun Malhotra)
Partner
M No. 81482

Place: New Delhi
Dated

MEJA URJA NIGAM PRIVATE LIMITED

2. Property, Plant and equipment

Amount in ₹ Lakhs

	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2017	Additions	Deductions/ Adjustments	As at 31.03.2018	Upto 01.04.2017	For the year	Deductions/ Adjustments	Upto 31.03.2018	As at 31.03.2018	As at 31.03.2017
Land :										
(including development expenses)										
Freehold	17,529.28	1,024.22	-	18,553.50	-	-	-	-	18,553.50	17,529.28
Roads, Bridges & culverts	1,731.70	-	-	1,731.70	92.81	48.67	-	141.48	1,590.22	1,638.89
Buildings	9,677.10	1,702.96	(51.82)	11,431.88	702.24	417.72	-	1,119.96	10,311.92	8,974.86
Water supply, drainage & Sewerage system	543.40	3.10	6.00	540.50	64.55	21.26	-	85.81	454.69	478.85
Plant and machinery	168.57	213.52	-	382.09	19.59	16.38	-	35.97	346.12	148.98
Furniture and fixtures	403.42	281.38	0.30	684.50	47.88	44.40	0.21	92.07	592.43	355.54
Vehicles	14.05	30.48	-	44.53	4.07	3.07	-	7.14	37.39	9.98
Office equipment	187.91	123.61	(1.95)	313.47	46.68	36.26	-	82.94	230.53	141.23
EDP, WP machines and satcom equipment	146.09	86.42	-	232.51	77.23	32.31	-	109.54	122.97	68.86
Construction Equipment	493.37	-	-	493.37	15.62	46.87	-	62.49	430.88	477.75
Electrical installations	1,326.58	33.99	-	1,360.57	171.67	78.63	-	250.30	1,110.27	1,154.91
Communication equipments	90.99	2.45	(2.14)	95.58	26.63	23.02	-	49.65	45.93	64.36
Laboratory & Workshop equipment	114.83	2.53	-	117.36	6.95	6.12	-	13.07	104.29	107.88
Total	**32,427.29**	**3,504.66**	**(49.61)**	**35,981.56**	**1,275.92**	**774.71**	**0.21**	**2,050.42**	**33,931.14**	**31,151.37**

	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2016	Additions	Deductions/ Adjustments	As at 31.03.2017	Upto 01.04.2016	For the year	Deductions/ Adjustments	Upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
Land :										
(including development expenses)										
Freehold	15,415.11	237.15	(1,877.02)	17,529.28	-	-	-	-	17,529.28	15,415.11
Roads, Bridges & culverts	1,731.70	0.00	-	1,731.70	24.70	68.11	-	92.81	1,638.89	1,707.00
Buildings	5,742.94	3,905.66	(28.50)	9,677.10	349.33	352.91	-	702.24	8,974.86	5,393.61
Water supply, drainage & Sewerage system	199.56	361.82	17.98	543.40	35.58	28.97	-	64.55	478.85	163.98
Plant and machinery	141.02	27.66	0.11	168.57	8.42	11.17	-	19.59	148.98	132.60
Furniture and fixtures	264.37	139.05	-	403.42	20.56	27.32	-	47.88	355.54	243.82
Vehicles	14.03	0.02	-	14.05	2.08	1.99	-	4.07	9.98	11.95
Office equipment	167.35	20.00	(0.56)	187.91	19.95	26.73	-	46.68	141.23	147.39
EDP, WP machines and satcom equipment	113.76	32.77	0.44	146.09	44.89	32.78	0.44	77.23	68.86	68.87
Construction Equipment	-	493.37	-	493.37	-	15.62	-	15.62	477.75	-
Electrical installations	1,196.15	12.05	(118.38)	1,326.58	72.45	99.22	-	171.67	1,154.91	1,123.70
Communication equipments	35.37	4.96	(50.66)	90.99	2.91	23.72	-	26.63	64.36	32.46
Laboratory & Workshop equipment	100.50	0.99	(13.34)	114.83	0.45	6.50	-	6.95	107.88	100.06
Total	**25,121.87**	**5,235.49**	**(2,069.93)**	**32,427.29**	**581.30**	**695.06**	**0.44**	**1,275.92**	**31,151.37**	**24,540.57**

a) The conveyancing to the title to 7.7458 Hectares (previous year 7.9565 Hectare) of Freehold land of value INR 111.62 Lakhs (previous year INR 284.74 lakhs) in favour of the Company are awaiting completion of legal formalities. Rehabilitation action plan for the same is to be finalised.

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

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

	Gross Block		Depreciation/Amortisation	
	31.03.2018	31.03.2017	**31.03.2018**	31.03.2017
Disposal of assets	-	0.44	-	0.44
Retirement of Assets	(0.30)		0.21	
Assets capitalised with retrospective effect / Write back of excess capitalisation	-		-	
Cost Adjustment	(49.31)	(2,070.37)	-	-
Transfer in/out	-		-	
	(49.61)	(2,069.93)	**0.21**	0.44

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MEJA URJA NIGAM PRIVATE LIMITED

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

	As at 31.03.2018	As at 31.03.2017
Buildings	4,16,04,454.82	95,38,848.19
Water supply, drainage & Sewerage system	16,15,263.15	-
Plant and machinery	3,93,565.14	1,05,033.08
Furniture and fixtures	13,26,309.83	5,27,778.00
Office equipment	1,56,388.31	1,48,900.31
EDP, WP machines and satcom equipment	51,69,803.53	18,86,998.79
Electrical installations	2,26,511.00	2,10,935.00
Communication equipments	16,75,517.76	4,67,926.76
Laboratory & Workshop equipment	41,108.00	41,108
	5,22,08,921.53	**1,29,27,528.14**

Amount in ₹ Lakhs

Intangible assets

	Gross Block				Amortisation				Net Block	
	As at 31.03.2017	Additions	Deductions/ Adjustments	**As at 31.03.2018**	Upto 01.04.2017	For the year	Deductions/ Adjustments	**Upto 31.03.2018**	**As at 31.03.2018**	As at 31.03.2017
Right of Use-Land	245.75	-	(4.23)	**249.98**	11.47	10.01	-	**21.48**	**228.50**	234.28
Software	25.89	-	-	**25.89**	9.35	8.63	-	**17.98**	7.91	16.54
Total	**271.64**	-	**(4.23)**	**275.87**	20.82	**18.64**	-	**39.46**	**236.41**	250.82
Grand Total	**32,698.93**	**3,504.66**	**(53.84)**	**36,257.43**	**1,296.74**	**793.35**	**0.21**	**2,089.88**	**34,167.55**	31,402.19

Amount in ₹ Lakhs

Intangible assets

	Gross Block				Amortisation				Net Block	
	As at 01.04.2016	Additions	Deductions/ Adjustments	**As at 31.03.2017**	Upto 01.04.2016	For the year	Deductions/ Adjustments	**Upto 31.03.2017**	**As at 31.03.2017**	As at 31.03.2016
Right of Use-Land	245.75	-	-	**245.75**	1.64	9.83	-	**11.47**	**234.28**	244.12
Software	25.89	-	-	**25.89**	0.72	8.63	-	**9.35**	**16.54**	25.17
Total	**271.64**	-	-	**271.64**	2.36	**18.46**	-	**20.82**	**250.82**	269.29
Grand Total	**25,393.51**	**5,235.49**	**(2,069.93)**	**32,698.93**	**583.66**	**713.52**	**0.44**	**1,296.74**	**31,402.19**	24,809.86

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

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

	31.03.2018	**31.03.2017**
Transferred to expenditure during construction period (net) - Note 20	792.56	713.53

ARUN MALHOTRA & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ NEW DELHI

2(a). Capital work-in-progress

Amount in ₹ Lakhs

	As at 31.03.2017	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2018
Development of land	21,680.25	810.69	10,717.83	-	**11,773.11**
Roads, bridges, culverts & helipads	1,416.21	259.24	-	-	**1,675.45**
Buildings :					
Main plant	36,920.82	7,296.82	-	-	**44,217.64**
Others	1,056.15	1,488.00	(40.00)	1,612.89	**971.26**
Temporary erection	7.33	0.54	-	-	**7.87**
Water supply, drainage and sewerage system	100.89	293.53	6.00	3.09	**385.33**
Earth dam reservoir	-	966.37	(10,643.29)	-	**11,609.66**
Plant and machinery	5,36,034.86	1,11,656.81	-	125.59	**6,47,566.08**
Furniture and fixtures	3.28	0.24	(86.36)	86.36	**3.52**
Office Equipment	-	-	-	-	**-**
Electrical installations	383.84	536.52	-	-	**920.36**
Communication equipment	25.99	2.38	-	-	**28.37**
Railway Siding	38,803.44	29,018.13	-	-	**67,821.57**
	6,36,433.06	1,52,329.27	(45.82)	1,827.93	**7,86,980.22**
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	10,121.64	614.03	-	-	**10,735.67**
Difference in Exchange on Foreign Currency Loans	5,381.57	3,732.48	-	-	**9,114.05**
Pre-Commissioning Expenses (net)	80.97	6,980.72	-	-	**7,061.69**
Expenditure during construction period (net)*		66,116.67	-	-	**66,116.67**
Less: Allocated to related works		66,116.67	-	-	**66,116.67**
	6,52,017.24	2,95,889.84	(45.82)	1,827.93	**8,13,891.63**
Construction stores	29,887.13	(17,866.52)	-	-	**12,020.61**
Total	6,81,904.37	2,78,023.32	(45.82)	1,827.93	**8,25,912.24**

Amount in ₹ Lakhs

	As at 31.03.2016	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2017
Development of land	18,017.29	3,662.96	-	-	**21,680.25**
Roads, bridges, culverts & helipads	1,060.12	356.09	-	-	**1,416.21**
Buildings :					
Main plant	25,973.54	10,947.28	-	-	**36,920.82**
Others	2,929.20	2,048.45	15.76	3,905.74	**1,056.15**
Temporary erection	12.67	0.81	6.15	-	**7.33**
Water supply, drainage and sewerage system	320.49	124.24	(17.98)	361.82	**100.89**
Earth dam reservoir	329.22	(329.22)	-	-	**-**
Plant and machinery	4,02,669.12	1,33,365.74	-	-	**5,36,034.86**
Furniture and fixtures	1.76	1.52	-	-	**3.28**
Office Equipment	-	-	-	-	**-**
Electrical installations	204.69	297.68	118.53	-	**383.84**
Communication equipment	20.21	7.00	1.22	-	**25.99**
Railway Siding	27,070.48	11,732.96	-	-	**38,803.44**
Pre-Commissioning Expenses	-	80.97	-	-	**80.97**
	4,78,608.78	1,62,296.49	123.68	4,267.56	**6,36,514.03**
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	8,565.82	1,555.82	-	-	**10,121.64**
Difference in Exchange on Foreign Currency Loans	6,422.84	(1,041.27)	-	-	**5,381.57**
Expenditure during construction period (net)*	-	57,782.33	-	-	**57,782.33**
Less: Allocated to related works	-	57,782.33	-	-	**57,782.33**
	4,93,597.44	1,62,811.04	123.68	4,267.56	**6,52,017.24**
Construction stores	33,974.49	(0.00)	4,087.36	-	**29,887.13**
Total	5,27,571.93	1,62,811.04	4,211.04	4,267.56	**6,81,904.37**

* Brought from expenditure during construction period (net) - Note 22

Notes:

a) The borrowing cost capitalised during the year is INR 46,194.94 Lakhs (Previous year figure INR 43,355.63 Lakhs)

b) Pre-commissioning expenses for the year amount to INR 7,190.74 Lakhs (31 March 2017: INR Nil) and after adjustment of pre-commissioning sales of INR 129.05 Lakhs (31 March 2017: INR Nil) resulted in net pre-commissioning expenditure of INR 7,061.69 Lakhs (31 March 2017: INR Nil).

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3. Other non current assets

Amount in ₹ Lakhs

Particulars	As at 31.03.2018	As at 31.03.2017
Capital advances		
Unsecured		
Covered by bank guarantee	**8,079.88**	8,671.16
Others	**12,799.05**	10,288.40
Advances other than capital advances		
Advance tax & tax deducted at source	**590.86**	463.47
Security Deposits	**191.77**	182.74
Total	**21,661.56**	19,605.77

a) Capital advances include advances to related parties of INR 9,887.35 lakhs (31 March 2017: INR 10740.67 lakhs).

b) Advance tax & tax deducted at source includes INR 240.58 Lakhs (31 March 2017: INR 185.02 Lakhs) income tax deposited under protest with Income Tax Authorities.

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4. Current assets - Inventories

Amount in ₹ Lakhs

Particulars	As at 31.03.2018	As at 31.03.2017
Coal	**1,678.99**	-
Total	**1,678.99**	-

a) Inventory items have been valued as per accounting policy no. C.8 (Note 1).

b) Refer Note 11 for information on inventories pledged as security by the Company.

5. Trade Receivables

Amount in ₹ Lakhs

Particulars	As at 31.03.2018	As at 31.03.2017
Trade receivables	**129.05**	-
Total	**129.05**	-

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

ARUN MALHOTRA & ASSOCIATES * CHARTERED ACCOUNTANTS * NEW DELHI

5A. Cash and Cash Equivalents

Amount in ₹ Lakhs

As at	31.03.2018	31.03.2017
Cash & cash equivalents		
Balances with banks		
- Current accounts	**3,132.03**	1,937.10
- Deposits with original maturity of less than three months	**2,079.74**	7,654.01
	5,211.77	9,591.11

5A. Other bank balances

Deposits with original maturity of more than three months but not more than twelve months (including interest accrued)	-	25.58
Total	-	25.58

ARUN MALHOTRA & ASSOCIATES * CHARTERED ACCOUNTANTS * NEW DELHI

6. Current loans

Amount in ₹ Lakhs

As at	31.03.2018	31.03.2017
Advances		
Others		
Unsecured	**1.19**	0.43
Total	**1.19**	0.43

a) Others include deposits for gas, and cable connections, etc.

ARUN MALHOTRA & ASSOCIATES ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

7. Other current financial assets

Amount in ₹ Lakhs

Particulars	As At 31.03.2018	As At 31.03.2017
Advances		
Employees		
Unsecured	**0.93**	0.23
Total	**0.93**	0.23

ARUN MALHOTRA & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ NEW DELHI

8. Other current assets

Amount in ₹ Lakhs

Particulars	As At 31.03.2018	As At 31.03.2017
Advances		
Employees		
Unsecured	**7.66**	0.50
Contractors & suppliers		
Unsecured	**1,464.68**	134.40
Others		
Unsecured	**15.52**	163.02
Balance with government/statutory authorities	**5.68**	-
Total	**1,493.54**	297.92

a) Other current assets - others include prepaid expenses.

ARUN MALHOTRA & ASSOCIATES
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9. Share capital

Amount in ₹ Lakhs

As at	31.03.2018	31.03.2017
Equity share capital		
Authorised		
350,00,00,000 shares of par value of `10/- each (250,00,00,000 shares of par value of ₹10/- each as at 31 March 2017)	**3,50,000.00**	2,50,000.00
Issued, subscribed and fully paid-up		
241,86,59,600 shares of par value of `10/- each (31 March 2017: 233,28,79,600 shares of par value of ₹10/- each)	**2,41,865.96**	2,33,287.96

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**

	31.03.2018		31.03.2017	
	No.	**Amount**	No.	Amount
Outstanding at the beginning of the year	**2,33,28,79,600**	**2,33,287.96**	1,68,28,79,600	1,68,287.96
Shares issued during the year	**8,57,80,000**	**8,578.00**	65,00,00,000	65,000.00
Outstanding at the end of the year	**2,41,86,59,600**	**2,41,865.96**	2,33,28,79,600	2,33,287.96

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

Particulars	**31.03.2018**		**31.03.2017**	
	No. of shares	**% age holding**	No. of shares	% age holding
-NTPC LTD	**1,20,93,29,800**	**50%**	1,16,64,39,800	50%
-UPRVUNL	**1,20,93,29,800**	**50%**	1,16,64,39,800	50%

ARUN MALHOTRA & ASSOCIATES
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10. Other equity

Amount in ₹ Lakhs

Particulars	**As at 31.03.2018**	As at 31.03.2017
Retained earnings	**5,299.10**	5,317.97
Closing balance	**5,299.10**	5,317.97

	For the year ended 31.03.2018	31.03.2017
(a) Retained earnings		
Opening balance	**5,317.97**	5,326.72
Add: Profit for the year as per Statement of Profit and Loss	**(18.87)**	(8.75)
Closing balance	**5,299.10**	5,317.97

ARUN MALHOTRA & ASSOCIATES ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

11. Non-current borrowings

Amount in ₹ Lakhs

Particulars	As at 31.03.2018	As at 31.03.2017
Term loans		
Secured		
From Banks		
Foreign currency loans	**96,840.41**	85,206.02
Rupee loans	**0.53**	3,02,714.99
From financial institutions		
Rupee loans	**4,56,038.37**	38,504.83
Less: Interest accrued but not due on borrowings	**8,222.87**	25.23
Total	**5,44,656.44**	4,26,400.61

Term Loan Details

i During the year 2017-18, the company has got refinanced the domestic loan from M/s Power Finance Corporation on 14.08.2017 by pre-payment of the costlier loan of consortium of 18 banks amounting to INR 370,312.17 Lakhs. The new loan is repayable in 60 quarterly installments. The repayment has monatorium period of 1 year after commercial operation date of the units. Interest is payable quarterly at the rate AAA 3years Reutrs + 185 basis points (currently 8.83% p.a.).

iii Foreign Currency Term Loan Facility (carved out of share of State Bank of India in aforesaid Rupee term Loan Facility) has been tied up with SBI Tokyo, which carries fixed interest rate ranging from 3.00 % to 5.17% and floating interest linked to LIBOR, with half yearly rests. The loan is repayable in twenty four half yearly installments commencing from 30.09.2018.

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

Security Details

Foreign Currency Term Loan and Rupee term Loan Facilities are Secured by Equitable mortgage, by way of first parri passu charge, by deposit of the title deeds of the immovable properties pertaining to Meja Thermal Power Project. Deed of Hypothecation for all present and future movable assets of Meja Urja Nigam Private Limited has also been executed with the Security Trustee and Indenture of Mortgage executed with the Security Trustee has been registered with the appropriate authority.

ARUN MALHOTRA & ASSOCIATES
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12. Other Non current Financial Liabilities

Amount in ₹ Lakhs

As at	31.03.2018	31.03.2017
Payable for capital expenditure	**3,000.88**	41,223.76
Total	**3,000.88**	41,223.76

a) Payable for capital expenditure include INR 32.61 Lakhs (31 March 2017: INR 78.52 Lakhs) payable to MSME vendors. Detailed disclosures as required under MSMED Act, 2006 are provided in Note 33.

ARUN MALHOTRA & ASSOCIATES ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

13. Trade payables

Amount in ₹ Lakhs

As at	31.03.2018	31.03.2017
For goods and services	774.91	1,417.21
Others	3,975.11	-
Total	**4,750.02**	1,417.21

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

b) Trade Payables include INR 21.02 Lakhs (31 March 2017: INR 0.13 Lakhs) payable to MSME vendors. Detailed disclosures as required under MSMED Act, 2006 are provided in Note 33.

ARUN MALHOTRA & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

14. Other current financial liabilities

Amount in ₹ Lakhs

Particulars	31.03.2018	31.03.2017
Interest accrued but not due on borrowings	**8,222.87**	25.23
Payable for capital expenditure	**76,572.26**	28,802.28
Other payables		
Deposits from contractors and others	**1,220.20**	948.05
Payable to NTPC Ltd (Joint venturer)	**992.97**	347.96
Payable to employees	**1,260.48**	338.34
Others	**34.90**	23.35
Total	**88,303.68**	30,485.21

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

b) Payable for capital expenditure include INR 435.72 Lakhs (31 March 2017: INR 37.42 Lakhs) payable to MSME vendors. Detailed disclosures as required under MSMED Act, 2006 are provided in Note 33.

c) Deposits from contractors and others include INR 237.62 Lakhs (31 March 2017: INR 72.11 Lakhs) payable to MSME vendors. Detailed disclosures as required under MSMED Act, 2006 are provided in Note 33.

d) Other payables - Others include amount payable parties for stale cheques etc.

ARUN MALHOTRA & ASSOCIATES
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15. Other current liabilities

Amount in ₹ Lakhs

Particulars	As at 31.03.2018	As at 31.03.2017
Tax deducted at source and other statutory dues	314.67	384.22
Advance from customers	137.50	-
Total	**452.17**	384.22

ARUN MALHOTRA & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

16. Current provisions

Amount in ₹ Lakhs

Particulars	As at 31.03.2018	As at 31.03.2017
Provision for		
Obligations incidental to land acquisition	**1,572.45**	3,302.08
Long service award and farewell gift to employees	**9.22**	-
Total	**1,581.67**	3,302.08

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

ARUN MALHOTRA & ASSOCIATES
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17. Regulatory deferral account credit balances

Amount in ₹ Lakhs

Particulars	As at 31.03.2018	As at 31.03.2017
Exchange differences	**346.90**	1,008.58

Regulatory deferral account balances have been accounted in line with Accounting policy no. C.4. Refer Note 33 for detailed disclosures.

ARUN MALHOTRA & ASSOCIATES * NEW DELHI * CHARTERED ACCOUNTANTS

18. Other income

Amount in ₹ Lakhs

For the year ended	31.03.2018	31.03.2017
Interest from		
Advances to contractors	**161.95**	308.37
Other non-operating income		
Miscellaneous income	**120.74**	103.70
Profit on disposal of fixed assets	**0.13**	0.04
Sale of Scrap	**0.32**	-
	283.14	412.11
Less: Transferred to expenditure during construction period (net) - Note 22	283.14	412.11
Total	-	-

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

ARUN MALHOTRA & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ NEW DELHI

19. Employee benefits expense

Amount in ₹ Lakhs

For the year ended	31.03.2018	31.03.2017
Salaries and wages*	6,810.44	3,732.43
Contribution to provident and other funds	1,325.42	861.60
Staff welfare expenses	445.41	314.86
	8,581.27	4,908.89
Less: Transferred to expenditure during construction period (net)- Note 22	8,581.27	4,908.89
Total	-	-

a) Disclosures as per Ind AS 19 in respect of provision made towards various employee benefits are made in Note 24.

* Includes INR 356.82 Lakhs (31 March 2017: INR 270.01 Lakhs) as provision made for revision of pay scales of employees of NTPC Ltd posted on secondment basis to the company due w.e.f 01 January 2017 on estimated basis pending acceptance of recommendations of Pay Revision Committee.

ARUN MALHOTRA & ASSOCIATES
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20. Finance costs

Amount in ₹ Lakhs

For the year ended	31.03.2018	31.03.2017
Finance charges on financial liabilities at amortised cost		
Foreign currency term loans	**2,774.92**	2,412.01
Rupee term loans	**35,871.45**	37,282.52
Less: Interest received from banks and others	**245.44**	290.83
	38,400.93	39,403.70
Unwinding of discount on vendor liabilities	**7,435.98**	3,859.46
Other borrowing costs		
Others	**358.03**	92.47
	358.03	92.47
Sub-Total	**46,194.94**	43,355.63
Less: Transferred to expenditure during construction period (net) - Note 22	**46,194.94**	43,355.63
Total	-	-

a) Other borrowing costs - Others include commitment charges, and insurance premium & legal expenses on foreign currency loans.

ARUN MALHOTRA & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

21. Generation, Administration & other expenses

Amount in ₹ Lakhs

For the year ended		31.03.2018		31.03.2017
Power charges	3,098.80		1,150.92	
Less: Recovered from contractors & employees	139.38	2,959.42	98.35	1,052.57
Water charges		1.29		1.29
Rent		8.21		22.46
Repairs & maintenance				
Buildings		463.41		153.33
Plant & machinery		162.96		99.73
Others		153.51		67.46
Insurance		146.19		6.15
Rates and taxes		0.04		0.06
Training and Recruitment expenses		13.83		3.39
Professional Charges & Consultancy fee		55.52		18.41
Communication expenses		90.14		66.37
Travelling expenses		379.28		251.88
Tender expenses	65.51		56.26	
Less: Receipt from sale of tenders	0.53	64.98	0.55	55.71
Payment to auditors (refer details below)		3.75		4.31
Advertisement and publicity		5.00		3.27
Security expenses		1,687.40		1,285.93
Expenses for guest house	120.51		125.39	
Less: Recoveries	8.50	112.01	9.83	115.56
Education Expenses		46.89		0.63
Books and periodicals		0.83		0.54
Legal expenses		104.39		58.88
EDP hire and other charges		38.14		23.06
Printing and stationery		9.75		10.92
Hire Charge of Construction equipment		203.13		0.17
Hiring of vehicles		269.19		200.30
Bank charges		3,643.70		31.26
Entertainment Expenses		10.81		-
Miscellaneous expenses		215.36		118.35
		10,849.13		3,651.99
Less: Transferred to expenditure during construction period (net) - Note 22		10,830.26		3,643.24
		18.87		8.75

b) Details in respect of payment to auditors:

	31.03.2018	31.03.2017
As auditor		
Audit fee	1.72	1.50
Tax Audit Fees	0.73	0.69
Reimbursement of expenses	1.30	1.78
Certification fees	-	0.34
	3.75	4.31

ARUN MALHOTRA & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

22. Expenditure during construction period (net)

Amount in ₹ Lakhs

For the year ended		31.03.2018		31.03.2017
A. Employee benefits expense				
Salaries and wages		6,810.44		3,732.43
Contribution to provident and other funds		1,325.42		861.60
Staff welfare expenses		445.41		314.86
Total (A)		8,581.27		4,908.89
B. Finance Cost				
Interest on Foreign currency term loan	2,774.92		2,412.01	
Interest of Rupee Term Loan	35,871.45		37,282.52	
Unwinding of discount on vendor liabilities	7,435.98		3,859.46	
Other Borrowing Cost				
Others	358.03		92.47	
	46,440.38		43,646.46	
Less interest received from banks and others	245.44		290.83	
Total (B)		46,194.94		43,355.63
C Depreciation and amortisation		792.56		713.53
D. Generation , administration and other expenses				
Power charges	3,098.80		1,150.92	
Less: Recovered from contractors & employees	139.38		98.35	
		2,959.42		1,052.57
Water charges		1.29		1.29
Rent		8.21		22.46
Repairs & maintenance				
Buildings	463.41		153.33	
Plant and machinery	162.96		99.73	
Others	153.51		67.46	
		779.88		320.52
Insurance		146.19		6.15
Rates and taxes		0.04		0.06
Professional charges & Consultancy fee		54.16		17.36
Communication expenses		90.14		66.37
Travelling expenses		379.28		251.88
Tender expenses	65.51		56.26	
Less: Income from sale of tenders	0.53		0.55	
		64.98		55.71
Advertisement and publicity		5.00		3.27
Security expenses		1,687.40		1,285.93
Guest house expenses	120.51		125.39	
Less: Receipts from Guest House	8.50		9.83	
		112.01		115.56
Education Expenses		46.89		0.63
Books and periodicals		0.83		0.54
Legal expenses		104.39		58.88
EDP hire and other charges		38.14		23.06
Printing and stationery		9.75		10.92
Miscellaneous expenses		215.43		118.35
Hire of Construction Equipment		203.13		0.17
Hiring of Vehicles		269.19		200.30
Bank Charges		3,643.70		31.26
Entertainment expenses		10.81		
Total (D)		10,830.26		3,643.24
Total (A+B+C+D)		66,399.03		52,621.29
E. Less: Other income				
Other income		283.14		412.11
Total (E)		283.14		412.11
Grand Total (A+B+C+D-E+F)*		66,116.00		52,209.00

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

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

Basic and diluted earnings per share

In ₹

	31 March 2018	31 March 2017
Basic and diluted earnings per share		
From operations including regulatory deferral account balances (a)	(0.00)	(0.00)
From regulatory deferral account balances (b)	-	-
From operations excluding regulatory deferral account balances (a)-(b)	(0.00)	(0.00)
Nominal value per share	10	10

Amount in ₹ Lakhs

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

	31 March 2018	31 March 2017
From operations including regulatory deferral account balances (a)	(18.87)	(8.75)
From regulatory deferral account balances (b)	-	-
From operations excluding regulatory deferral account balances (a)-(b)	**(18.87)**	**(8.75)**

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

	31 March 2018	31 March 2017
Opening balance of issued equity shares	2,33,28,79,600	1,68,28,79,600
Effect of shares issued during the year, if any	3,10,21,808	7,80,00,000
Weighted average number of equity shares for Basic EPS	**2,36,39,01,408**	**1,76,08,79,600**
Effect of dilution	-	-
Weighted average number of equity shares for Diluted EPS	**2,36,39,01,408**	**1,76,08,79,600**

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

Defined Contribution plans

In accordance with Significant Accounting Policy no. C.11, an amount of INR 922.29 Lakhs (31 March 2017: INR665.84 Lakhs) towards provident fund, gratuity, post retirement medical facilities, and other terminal benefits, and INR293.48 Lakhs (31 March 2017: INR 261.30 Lakhs) towards leave and other benefits is paid/payable to the Promoter Company, and included under 'Employee benefit

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

a) Operating leases

Leases as lessee

a) The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps for a period of one to two years. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note 19 - Employee benefits expense includes **INR 26.68 Lakhs** (31 March 2017: INR 13.93 Lakhs) towards lease payments (net of recoveries) in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps amounting INR 8.21 Lakhs (31 March 2017: INR 22.45 Lakhs) are included under 'Rent' in Note 21 – 'Generation, administration and other expenses'.

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26. Contingent liabilities and commitments

Contingent liabilities

a. Claims against the company not acknowledged as debts

1. Capital works

(i) One of the contractors for execution of works at the project had lodged a claim on the Company before the Arbitrator for INR5,822.42 Lakhs (Inclusive of interest) (31 March 2017: INR 5,331.33 Lakhs) seeking enhancement of the contract prices, etc. This claim has been contested by the Company as being not admissible in terms of the provisions of the contracts. The Company is pursuing various actions under the dispute resolution mechanism available in the contract for settlement of the claim. 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. 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) Turbine generator of Unit-1 & 2 has been supplied and installated by M/s Toshiba Corporation. They had lodged a claim of INR 11,888.80 lakhs on account of delay in getting fronts and also on account of interest, hire charges, idle man-power, storage etc. The claim ha sbeen contested by the Company. The claim is under examination by the committee.

2. Land compensation cases

In respect of land acquired for the project, the land losers have claimed higher compensation and other claims before various authorities/courts which are yet to be settled. In such cases, contingent liability of INR 722.24 Lakhs (31 March 2017: INR 719.35 Lakhs) has been estimated.

3. Disputed tax matters

Disputed Income Tax/Sales Tax/Excise matters are pending before various Appellate Authorities amounting to INR 550.87 Lakhs (31 March 2017: INR 178.47 Lakhs) 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 3,880.03 Lakhs (31 March 2017: INR 3,880.03 Lakhs)

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 Lakhs (31 March 2017: INR 18.14 Lakhs)

iii) The consortium banks have claimed excess interest of INR 75.78 Lakhs which is not tenanble and beyond agreement terms. The reconciliation has been requested from the banks and the same is pending finalisation.

Commitments

a. Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31 March 2018 is INR 173210.81 Lakhs (31 March 2017: INR 190,905.51 Lakhs).

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27. Fair Value Measurements

Amount in ₹ Lakhs

(a) Financial instruments by category

Particulars	31 March 2018			31 March 2017		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Loans	-	-	1.19	-	-	0.43
Trade receivables	-	-	129.05	-	-	-
Cash and cash equivalents	-	-	5,211.77	-	-	9,591.11
Other bank balances	-	-	-	-	-	25.58
Other financial assets	-	-	0.93	-	-	0.23
	-	-	**5,342.94**	-	-	**9,617.35**
Financial liabilities						
Borrowings	-	-	5,44,656.44	-	-	4,26,400.61
Trade and other payables	-	-	84,323.16	-	-	54,794.56
Other financial liabilities	-	-	11,731.42	-	-	18,331.62
	-	-	**6,40,711.02**	-	-	**4,99,526.79**

(b) Fair value hierarchy

To provide an indication about the reliability of the inputs used in determining fair value of financial instruments measured at amortised cost for which fair value is being disclosed, the company has classified these into the three levels prescribed under Ind AS 113, ' Fair value measurement'. An explanation of each level follows underneath the table.

Amount in ₹ Lakhs

31 March 2018

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Level 1	Level 2	Level 3	Total
Financial liabilities:				
Rupee term loan	-	**3,82,033.00**	-	**3,82,033.00**
Foreign currency loan	-	**1,02,130.00**	-	**1,02,130.00**
Payable for capital expenditure	-	**48,708.00**	-	**48,708.00**
	-	**5,32,871.00**	-	**5,32,871.00**

Amount in ₹ Lakhs

31 March 2017

Assets and liabilities which are measured at amortised cost for which fair values are disclosed	Level 1	Level 2	Level 3	Total
Financial liabilities:				
Rupee term loan	-	3,84,800.00	-	3,84,800.00
Foreign currency loan	-	99,722.00	-	99,722.00
Payable for capital expenditure	-	43,029.00	-	43,029.00
	-	5,27,551.00	-	5,27,551.00

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

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

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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

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

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

Amount in ₹ Lakhs

Particulars	31 March 2018		31 March 2017	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Rupee term loans	4,56,039	3,82,033	3,41,220	3,84,800
Foreign currency loans	96,840	1,02,130	85,206	99,722
Payable for capital expenditure	50,442	48,708	41,224	43,029
	6,03,322	5,32,871	4,67,650	5,27,551

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 fair values of non-current borrowings, and capital creditors are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy due to the use of observable market inputs.

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28. Financial Risk Management

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

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

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

Risk management framework

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

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

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

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28. Financial Risk Management

Credit risk

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

Cash and cash equivalents
The Company held cash and cash equivalents of INR 5,211.77 Lakhs (31 March 2017: INR 9,591.11 Lakhs). The cash and cash equivalents are held with banks with high rating.

Deposits with banks and financial institutions
The company held deposits with banks and financial institutions of INR Nil (31 March 2017: INR 25.58 Lakhs). In order to manage the risk, company accepts only high rated banks/institutions.

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

Amount in ₹ Lakhs

Particulars	31 March 2018	31 March 2017
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Cash and cash equivalents	5,211.77	9,591.11
Deposits with banks and financial institutions	-	25.58
Current loans	1.19	0.43
Other current financial assets	0.93	0.23
	5,213.89	9,617.35

(ii) Provision for expected credit losses
Financial assets for which loss allowance is measured using 12 month expected credit losses
The company has assets where the counter- parties have sufficient capacity to meet the obligations and where the risk of default is very low. Accordingly, no loss allowance for impairment has been recognised during these years.

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28. Financial Risk Management

Liquidity risk

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

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

(i) Financing arrangements

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

Amount in ₹ Lakhs

Particulars	31 March 2018	31 March 2017
Fixed-rate borrowings		
Foreign currency loans	8,414.54	8,230.02
Floating-rate borrowings		
Term loans	2,04,761.63	3,18,985.91
Foreign currency loans	1,060.90	425.01
Total	**2,14,237.07**	3,27,640.94

(ii) Maturities of financial liabilities

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

31 March 2018

Amount in ₹ Lakhs

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

31 March 2017

Amount in ₹ Lakhs

Contractual maturities of financial liabilities	Contractual cash flows					
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	Total
Non-derivative financial liabilities						
Term loans from banks	-	-	42,609.00	1,70,436.00	1,28,174.82	3,41,219.82
Foreign currency loans	-	-	7,820.29	23,460.86	53,899.65	85,180.79
Trade and other payables	32,261.41	25.23	48,288.24	-	-	80,574.88

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28. Financial Risk Management

Market risk

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

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

Currency risk

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

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

The currency profile of financial assets and financial liabilities as at March 31, 2018 and March 31, 2017 are as below:

Amount in ₹ Lakhs

31 March 2018

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

Amount in ₹ Lakhs

31 March 2017

Particulars	USD	EURO	JPY	Others	Total
Financial liabilities					
Foreign currency loans	13,081.26	-	72,100.48	-	85,181.74
Trade and other payables	3,533.59	13,182.04	7,495.06	-	24,210.69
Total	**16,614.85**	**13,182.04**	**79,595.54**	**-**	**1,09,392.43**

Sensitivity analysis

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

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28. Financial Risk Management

Interest rate risk

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

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

Amount in ₹ Lakhs

Particulars	31 March 2018	31 March 2017
Financial Assets		
Fixed-rate instruments		
Deposits with banks	2,079.74	7,679.59
Total	2,079.74	7,679.59
Financial Liabilities		
Fixed-rate instruments		
Foreign currency loans	75,556.18	79,949.24
	75,556.18	79,949.24
Variable-rate instruments		
Foreign currency loans/notes	13,061.36	5,231.55
Rupee term loans	4,56,038.90	3,41,219.82
	4,69,100.26	3,46,451.37
Total	5,44,656.44	4,26,400.61

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

A change of 50 basis points in interest rates at the reporting date would have increased (decreased) profit or loss (before tax) by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for the previous year.

Amount in ₹ Lakhs

	Profit or loss (before tax)*	
	50 bp increase	**50 bp decrease**
31 March 2018		
Foreign currency loans	(444)	444
Rupee term loans	(2,280)	2,280
	(2,724)	2,724
31 March 2017		
Foreign currency loans	(855)	855
Rupee term loans	(14,784)	14,784
	(15,639)	15,639

* The actual interest incurred on normative loan is recoverable from beneficiaries as fixed charge as per CERC Regulations.

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29. Capital Management

The Company's objectives when managing capital are to:

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

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

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

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

Amount in ₹ Lakhs

	31 March 2018	31 March 2017
Total liabilities	5,44,656.44	4,26,400.61
Less : Cash and cash equivalent	5,211.77	9,591.11
Net debt	5,39,444.67	4,16,809.50
Total equity	2,47,165.06	2,38,605.93
Net debt to equity ratio	2.18	1.75

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

a) **List of Related parties:**

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

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

iii) Key Managerial Personnel (KMP):

Sri S Roy	**Chairman wef 20.12.2017 and Non Executive director upto 25.04.2016**
Shri R S Rathee	**Non Executive director wef 05.05.2016**
Shri Mohit Bhargav	**Non Executive director wef 22.09.2017**
Shri Sudhanshu Dwivedi	**Non Executive director wef 16.05.2017**
Shri Subir Chakratorty	**Non Executive director wef 20.11.2017**
Shri B S Tiwari	**Non Executive director wef 01.02.2017**
Shri A P Mishra	**Non Executive director upto 24.03.2017**
Shri A k Agrawal	**Non Executive director upto 31.12.2016**
Shri Rakesh Trivedi	**Non Executive director upto 04.01.2017**
Shri Atul Nigam	**Non Executive director upto 24.06.2017**
Shri K. Biswal	**Non Executive chairman upto 19.12.2017**
Sri S.C Pandey	**Non Executive director upto 31.08.2017**
Shri Prabhat Kumar	**Chief Executive Officer upto 29.03.2017**
Shri N.N.Rai	**Chief Executive Officer upto 02.12.2017**
Shri Rakesh Samuel	**Chief Executive Officer wef 11.12.2017**
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.

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b) Transactions with the related parties are as follows:

A) Transaction with related parties (promoter companies and their joint ventures):

Amount in ₹ Lakhs

Particulars	NTPC Limited and its joint ventures		UPRVUNL	
	2017-18	2016-17	2017-18	2016-17
i) Issue of shares	**4,289.00**	32,500.00	**4,289.00**	32,500.00
- Contracts for works/services received by the Company for consultancy	**1,110.52**	692.98	-	-
ii) Deputation of employees	**2,344.55**	1,625.03	-	-
iii) Manpower services	**22.95**	97.97	-	-
iv) Rent , Lease & other misc.	**20.95**	35.95	-	-

B) Compensation to Key management personnel

Amount in ₹ Lakhs

Particulars	2017-18	2016-17
- Short term employee benefits	41.06	46.69
- Post employment benefits	9.19	6.46
- Other long term benefits	2.46	2.51
Total Compensation to Key management personnel	**52.71**	**55.66**

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

Amount in ₹ Lakhs

Sl. No.	Name of the Company	TYPE	Nature of transaction	2017-18	2016-17
1	RITES LTD	GOI PSU	Capital work	20,304.59	7,119.61
2	BHEL	GOI PSU	Capital work	3,743.44	5,293.41
3	SAIL	GOI PSU	SUPPLY STEEL	1,415.82	1,258.23
4	EED-UPPCL	UP GOV	Capital work	2,756.02	2,085.20
5	DLW VARANASI	GOI PSU	SUPPLY LOCOMOTIVE	-	595.80
6	BALMER LAWRIE CO LTD	GOI PSU	TRANSPORT LOCOMOTIVE	-	57.18
7	UP JAL NIGAM	UP GOV	Capital work	178.99	105.84
9	HPCL	GOI PSU	SUPPLY OF HSD LDO ETC	2,253.68	23.15
10	PGCIL	GOI PSU	CAPITAL WORK	1,879.86	1,805.69
11	PGCIL	GOI PSU	OTHER	1,387.66	3.88
12	BRIDGE & ROOF CO LTD	GOI PSU	Capital work	293.46	447.53
13	IOCL	GOI PSU	OTHER	2,482.59	-
14	IOCL	GOI PSU	Capital work	39.89	-
15	SECL	GOI PSU	OTHER	965.47	-
16	DIV. DIR. SOCIAL FORESTARY	GOI PSU	OTHER	75.01	-

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

Amount in ₹ Lakhs

Particulars			31 March 2018	31 March 2017
1	NTPC Ltd	For purchase of goods & services	24.41	24.41
	UPL	For purchase of goods & services	0.96	-
2	RITES LTD	For purchase of goods & services	112.18	-
3	BHEL	For purchase of goods & services	4.44	-
4	BRIDGE & ROOF CO LTD	For purchase of goods & services	66.26	-
5	UP JAL NIGAM	For purchase of goods & services	0.85	-

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

Amount in ₹ Lakhs

Particulars			31 March 2018	31 March 2017
1	NTPC Ltd	For services consultancy & others	118.90	34.93
2	NTPC Ltd	For deputation of employees	957.27	347.96
3	UPL	For manpower services	139.14	32.91
4	BRIDGE & ROOF CO LTD	For services & others	382.34	-
5	SAIL	For supply of steel	532.42	-
6	BHEL	For capital work	4,839.16	-
7	RITES LTD	For capital work	940.10	-
8	UP JAL NIGAM	For capital work	43.58	-
9	PGCIL	For services & others	18.44	-
10	DIV. DIR. SOCIAL FORESTARY	For services & others	28.39	-

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

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

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

(3) All employees of the company are on secondment basis from the promoter company (NTPC Limited) on terms and conditions agreed between the companies, which are similar to those applicable for secondment of employees to other companies and institutions. The cost incurred by the company towards superannuation and employee benefits are reimbursable to NTPC Limited.

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

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

Movements in provisions:

Amount in ₹ Lakhs

Particulars	Provision for obligations incidental to land acquisition		Provision for long service award and farewell gift to employees	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Carrying amount at the beginning of the year	**3,302.08**	3,352.68	-	-
Additions during the year	-	-	9.22	-
Amounts used during the year	**(1,729.63)**	(11.05)	-	-
Reversal / adjustments during the year	-	(39.55)	-	-
Carrying amount at the end of the year	**1,572.45**	**3,302.08**	9.22	-

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) Provision for long service award and farewell gift to employees

Provision for long service award and farewell gift to employees includes expenditure for awards given to eligible employees for their services. Long service award to the Employees eligible are those employees who have completed service of 15 years, 25 years and 35 years as on 31.03.2018.

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

(i) Nature of rate regulated activities

The Company is mainly engaged in generation and sale of electricity. The price to be charged by the Company for electricity sold to its customers is determined by the Central Electricity Regulatory Commission (CERC) which provides extensive guidance on the principles and methodologies for determination of the tariff for the purpose of sale of electricity.

The tariff is based on allowable costs like interest, depreciation, operation & maintenance expenses, etc. with a stipulated return. This form of rate regulation is known as cost-of-service regulations which provide the Company to recover its costs of providing the goods or services plus a fair return.

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

(ii) Recognition and measurement

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

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

Revision of pay scales of employees of PSEs are due w.e.f. 1 January 2017 (Refer Note 33). Based on the recommendations of the constituted committee to the Government inter-alia includes superannuation benefits @ 30% of basic + DA to be provided to the employees of CPSEs which includes gratuity at the enhanced ceiling of ₹ 0.20 crore from the existing ceiling of ₹ 0.10 crore. As per Proviso 8(3) of Terms and Conditions of Tariff Regulations 2014 applicable for the period 2014-19, truing up exercise in respect of Change in Law or compliance of existing law will be taken up by CERC. Theincrease in gratuity from ₹ 0.10 crore to ₹ 0.20 crore falls under the category of 'Change in law' and a regulatory asset was created in the previous year. During the year, the Payment of Gratutiy Act,1972 has been amended and the ceiling has been increased to ₹ 0.20 crore.

CERC Tariff Regulations provide truing up of capital expenditure, subject to prudence check, considering inter-alia change in laws. Considering the methodology followed by the CERC in the previous pay revision and the provisions of CERC Tariff Regulations, 2014, a regulatory asset has been created (Regulatory deferral account debit balance) towards the increase in O&M expenditure due to the pay revision. This will be claimed upon implementation of revision of pay scales and discharge of related liabilities.

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

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

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

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

(iv) Reconciliation of the carrying amounts:

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

Amount in ₹ Lakhs

Particulars	31 March 2018	31 March 2017
A. Opening balance	**1,008.58**	-
B. Addition during the year	**(661.68)**	1,008.58
C. Amount collected/refunded during the year	-	-
D. Movements in regulatory deferral account balances	-	-
E. Closing balance	**346.90**	**1,008.58**

ARUN MALHOTRA & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

33. Information in respect of micro and small enterprises as at 31st March 2018 as required by Micro, Small and Medium Enterprises Development Act, 2006

Amount in ₹ Lakhs

Particulars	31 March 2018	31 March 2017
a) Amount remaining unpaid to any supplier:		
Principal amount	726.97	188.17
Interest due thereon	-	-
b) Amount of interest paid in terms of Section 16 of the MSMED Act along-with the amount paid to the suppliers beyond the appointed day.	-	-
c) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
d) Amount of interest accrued and remaining unpaid	-	-
e) Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises, for the purpose of disallowances as a deductible expenditure under Section 23 of MSMED Act	-	-

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34. Reclassifications and comparative figures

Certain reclassifications have been made to the comparative period's financial statements to:

- enhance comparability with the current year's financial statements
- 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:

₹ Lakhs

Items of balance sheet before and after reclassification

Sl. No.	Particulars	Before reclassification	Reclassification	After reclassification
1	Non-current loans	182.74	(182.74)	-
	Other non-current assets	19.423.03	182.74	19.605.77

₹ Lakhs

Items of statement of cash flows before and after reclassification

Sl. No.	Particulars	Before reclassification	Reclassification	After reclassification
1	Other financial assets	1.89	(182.74)	184.63
	Other current assets	9.518.11	182.74	9.335.37

ARUN MALHOTRA & ASSOCIATES NEW DELHI CHARTERED ACCOUNTANTS

35. Recent accounting pronouncements

Standards issued but not yet effective:

Ind AS 115 'Revenue from Contracts with Customers'

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

The standard permits two possible methods of transition:

• Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors

• Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach)

The effective date for adoption of Ind AS 115 is financial periods beginning on or after 1 April 2018.The Company will adopt the standard on 1 April 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended 31 March 2018 will not be retrospectively adjusted. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On 28 March 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency.

The amendment will come into force from 1 April 2018. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

For & on behalf of the Board of Directors

Arun Kumar	R B Pandey	Rakesh Samuel	B.S.Tiwari	S.Roy
Company Secretary	HOF	CEO	Director	Chairman

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

For Arun Malhotra & Associates
Chartered Accountants
Firm Reg. No. 002563N

(Arun Malhotra)
Partner
M No. 81452

Place: New Delhi
Dated 17-5-18

MEJA URJA NIGAM PRIVATE LIMITED

PART MINUTES OF 47th MEETING OF THE BOARD OF DIRECTORS HELD ON THURSDAY, MAY 17, 2018.

Item No. 47.2.4 **Annual Financial Statements for the Financial Year 2017-18**

XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXX.XXXXXXXXXXX.XXXXXXXXXXX.XXXXXXX

The Board passed the following resolution:-

"Resolved that the Accounting Policies, Balance Sheet as on 31st March 2018, the Statement of Profit & Loss and Notes forming part of the Financial Statements and Cash Flow Statement for the Financial Year 2017-18, be and are hereby approved and be signed by Shri Arun Kumar, Company Secretary, Shri R.B.Pandey , Head of Finance, Shri Rakesh Samuel, CEO, Shri B.S.Tiwari, Director and Shri. S. Roy, Chairman, in authentication thereof, on behalf of the Board of Directors.

Further resolved that the said authenticated accounts be forwarded to the Statutory Auditors for their report thereon, and thereafter, to the Comptroller & Auditor General of India for their comments, if any.

Further Resolved that the Chairman be and is hereby authorized to make such minor changes/adjustments as may become necessary, consequent upon the advice received from Statutory Auditors and Comptroller and Auditor General of India, provided, however, that such changes/adjustments do not materially affect the Accounts as approved by the Board and further subject to the condition that such modified Accounts are submitted for information of the Board in its succeeding meeting.

FURTHER RESOLVED that Company Secretary, be and is hereby authorized to call and convene the Annual General Meeting of the Company for adoption of the Accounts, Auditors Report and Directors Report etc., for the Financial Year ended 31st March 2018 at a convenient date, time and place and at shorter notice, if necessary, after complying with the provisions of the Companies Act, 2013 in this regard."

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Certified True Copy
For *Meja Urja Nigam Private Limited*

Kumar

अरुण कुमार
ARUN KUMAR
कम्पनी सचिव
Company Secretary
मेजा ऊर्जा निगम प्रा. लिमिटेड
Meja Urja Nigam Private Limited
NTPC Bhawan, Core-7, SCOPE Complex
7, Institutional Area, Lodhi Road, New Delhi

MUNPL

MEJA URJA NIGAM PVT.LTD

PO – Kohdar, Tehsil –Meja, Distt. :- Allahabad (UP)-212301

(A joint venture of NTPC Ltd. & UPRVUN Ltd)

एनटीपीसी NTPC

A Maharatna Company

MTPP

Ref:/MUNPL/2017-18/Accounts/1A

Date : 17.05.18

To,

The Principal Director Commercial Audit & MAB-III

C&AG of India

6th&7th Floor, Annexe Building,

10,Bahadur shah Zafar Marg

New Delhi-110002

Sub: Submission of Audited Accounts for FY 2017-18 in respect of MUNPL

Dear Sir,

Original Audited Accounts for 2017-18, in original(2 sets), alongwith details of payments made to the Auditors, in the prescribed proforma are enclosed in respect of Meja Urja Nigam Pvt Ltd (MUNPL);(a 50:50 joint Venture of NTPC Ltd and Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited) which is submitted herewith for your kind perusal,records and further necessary action

Kindly acknowledge receipt of the same.

Thanking You

Yours Faithfully

R B Pandey

AGM(F)

Encl: a/a