

INDEPENDENT AUDITORS' REPORT

To,

The Members of **MEJA URJA NIGAM PRIVATE LIMITED**

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Meja Urja Nigam Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, notes to the financial statements, including a summary of the material accounting policies and other explanatory information ("hereinafter referred to as the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 (the 'Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its Profit (financial performance including other comprehensive income, changes in equity and its statement of cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's responsibilities for the audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's code of ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.



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Emphasis of Matter

We draw attention to the following matters in the notes to the Financial Statements:

- a) Note No. 27(a) to the Financial Statements which describes billing and accounting of sales on provisional basis considering the provisions of Central Electricity Regulatory Commission (CERC) Tariff Regulations 2019.
- b) Note No. 41(d) to the Financial Statements which describes de-recognition of certain items included in inventory of stores & spares and capitalized in Plant and Equipment with capitalization date as original acquisition date of the Capital Spares with corresponding impact on the Statement of Profit and Loss for the year ended March 31, 2024.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters ("KAM") are those matters that in our professional judgment were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No	Key Audit Matters	How our audit addressed the key audit matter
1	<p>Recognition and measurement of revenue from sale of energy</p> <p>The Company records revenue from sale of energy as per the principles enunciated under Ind AS 115, on provisional rates considering the applicable CERC tariff regulations, 2019, as the tariff rates are yet to be approved by the competent authorities.</p> <p>This is considered as key audit matter due to the nature and extent of estimates made as per the CERC tariff regulation which leads to recognition and measurement of revenue from sale of energy being complex and judgemental.</p> <p>(Refer Note No.27 to the Financial Statement read with the significant accounting policy no. c 10.1.</p>	<p>We have obtained an understanding of the CERC tariff regulations, orders, circulars, guidelines and the Company's internal circular and procedures in respect of recognition and measurement of revenue from sale of energy charges and adopted the following audit procedures:</p> <ul style="list-style-type: none">- Evaluated and tested the effectiveness of the Company's design of internal controls related to recognition and measurement of revenue from sale of energy.- Verified the accounting and supporting documents of revenue from sale of energy, in case of power stations where the tariff rates are yet to be approved, provisional rates are adopted in accordance with the principles given in the CERC tariff regulations 2019. <p>Based on the above procedure performed, the recognition and measurement of revenue from sale of energy are considered to be adequate and reasonable.</p>



Information other than the Financial Statements and Auditors' report thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Director's Report, but does not include the Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the Company's Director's Report, if we conclude that there is a material misstatement of this other information; we are required to report that fact to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Boards of Directors are also responsible for overseeing the Company's financial reporting process.



Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
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 C" on the directions issued by the Comptroller and Auditor General of India.
3. (A) 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 purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under section 133 of the Act read with read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.



- e. Being a Government Company pursuant to the Notification No. GSR 463(E) dated 5 June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Act are not applicable to the Company.
- f. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure -B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. As per Notification No. GSR 463 dated 5 June 2015 issued by the Ministry of corporate affairs, the Government of India, Section 197 of the Act is not applicable to the Government Companies, accordingly, reporting in accordance with requirement of provisions of section 197(16) of the Act is not applicable to the Company.

(B) 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, as amended 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 Financial Statements – Refer Note No.38, to the Financial Statements;
- (ii) The Company has made provision as required under the applicable law or Indian accounting standards for material foreseeable losses if any, on long term contracts including derivative contracts;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company
- (iv)
 - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



- (b) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner what so ever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause(a) and (b) above contain any material misstatement.
- (v) The Company has proposed and declared dividend during the year which is in compliance with Section 123 of the Act.
- (vi) Based on our examination which included test checks, the company has used accounting software for or maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.

For RSPH & ASSOCIATES
(Chartered Accountants)
FRN. 003013N



CA TARUN KUMAR BATRA
Partner
Membership No. - 094318
Place: New Delhi
Date: -17-05-2024
UDIN No.- 24094318BKFLDH9777

“Annexure A” to the Independent Auditors’ Report

(Referred to in paragraph 1 under ‘Report on Other Legal & Regulatory Requirement’ section of our report to the members of Meja Urja Nigam Private Limited of even date)

To the best of our information and according to the explanation provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

- 1) In respect of Companies Property, Plant and Equipment's (PPE), right-of-use assets and intangible assets:
 - (a)
 - (i) The Company has generally maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment (Including Right of Use assets).
 - (ii) The Company has maintaining proper records showing full particulars of intangible assets.
 - (b) Physical verification of the Property, Plant and Equipment has been conducted by the management during the year. All the Property, Plant and Equipment of the Company have not been physically verified by the management during the year but there is a regular phased programme of physical verification which, in our opinion, is reasonable having regard to the size of the Company and nature of its Property, Plant and Equipment. No material discrepancies were noticed on such verification.
 - (c) Based on our examination of the conveyance deeds/registered sale deed and other relevant records provided to us, we report that the title in respect of self-constructed buildings and the title deeds of all other immovable properties comprising land which are freehold as disclosed in the Financial Statement included under property plant and equipment are held in the name of the Company as at the balance sheet date. However, mutation of the land acquired by the company is pending in respect of 0.3456 Hectares of Freehold land. Original title deeds of the immovable properties have been lodged with SBICAP Trustee Company Ltd and we have been provided with the certified copy of list of documents and confirmation of holding of documents for verification.
 - (d) The Company has not revalued its Property, Plant and equipment (including Right-of-Use Assets) or intangible assets or both during the year.



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(e) Based on the information explanation furnished to us, no proceedings have been initiated during the year or are pending against the company as at March 31, 2024 for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made there under.

2) In respect of its inventory:

- a. The inventory has been physically verified by an independent firm of chartered accountants at reasonable intervals, generally once in a year. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on such physical verification of inventory followed by the independent firm of Chartered accountants are reasonable and adequate in relation to the size of the Company and nature of the business.
- b. According to information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. In our opinion, the quarterly statements filed with such banks are in agreement with books of accounts of the Company.

- 3) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to any companies, firms, Limited Liability Partnerships or any other parties. In view of the above, the clauses 3(iii)(a)(A), 3(iii)(a)(B), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e), 3(iii)(f), of the Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, there are no loans, investment, guarantees and securities granted in respect of which provisions of Sections 185 and 186 of the Companies Act, 2013 are applicable. Accordingly, the paragraph 3(iv) of the Order is not applicable to the Company.
- 5) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of section 73 of the Companies Act, 2013 and the rules made there under, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.



- 6) We have broadly reviewed the accounts and records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of the section 148 of the Act read with Companies (cost records and audit) Rules 2014, as amended and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however detailed examination of the records with a view to determine whether they are accurate and complete.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Goods and Service Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2024 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, goods and service tax, service tax, duty of customs, duty of excise, provident fund, employee's state insurance, value added tax outstanding which have not been deposited on account of any dispute except as under:

Nature of Statute	Nature of Dues	Forum Where the dispute is pending	Period to which the Amount Relates	Disputed Amount in Lakhs	Amount Deposited in Lakhs
The Income Tax Act, 1961	Income Tax	CIT (Appeal)	F.Y. 2012-13	Rs. 58.64	Rs. 70.11
The Income Tax Act, 1961	Income Tax	CIT (Appeal)	F.Y. 2013-14	Rs. 285.03	Rs. 136.94
The Income Tax Act, 1961	Income Tax	CIT (Appeal)	F.Y. 2014-15	Rs. 292.41	Rs. 194.47
The Income Tax Act, 1961	Income Tax	CIT (Appeal)	F.Y. 2015-16	Rs. 485.13	Rs. 488.69
The Income Tax Act, 1961	Income Tax	CIT (Appeal)	F.Y. 2016-17	Rs. 214.17	Rs. 240.71
The Income Tax Act, 1961	Income Tax	CIT (Appeal)	F.Y. 2017-18	Rs. 112.40	Rs. 178.32
The Income Tax Act, 1961	Income Tax	CIT (Appeal)	F.Y 2019-20	Rs. 25.41	Rs. 25.41



- 8) According to the information and explanations given to us, there was no transaction found unrecorded in the books of accounts of the Company which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act 1961.
- 9)
- a. According to the information and explanations and as verified from the books of accounts, the Company has not defaulted in repayment of loans or interest thereon to any lender.
 - b. According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or Government or any Government authority.
 - c. In our opinion and according to information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purpose for which they were obtained.
 - d. According to the information and explanations given to us, the procedures performed by us, and on an overall examination of the Financial Statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
 - e. According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company does not have any subsidiary or does not have any ownership interest in any other entity, accordingly, reporting under clause 3(ix)(e) of the order is not applicable to the Company.
 - f. According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company does not have any subsidiary or does not have any ownership interest in any other entity, accordingly reporting under clause 3(ix)(f) of the order is not applicable to the Company.
- 10)
- a. In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer/ further public offer (including debt instruments) during the year and hence reporting under clause 3 (x)(a) of the Order is not applicable to the Company.



- b. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) as per requirements of the section 42 and section 62 of the Companies Act'2013. Accordingly, clause 3(x)(b) of the order is not applicable to the Company.
- 11)
- a. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor we have been informed of such case by the management.
- b. To the best of our knowledge and information with us no report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.
- 12) In our opinion and according to information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the order is not applicable to the Company.
- 13) In our opinion the company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards. The Company is a Joint Venture of Central Public Sector Undertaking (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.
- 14) a) In our opinion and based on our examination, the company has an adequate internal audit system commensurate with the size and the nature of the business.
- b) We have considered the internal audit report for the year under audit, issued to the Company during the year and till date in determining the nature, timing and extent of our audit procedure.



- 15) Based upon the audit procedures performed and the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16)
- a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi)(a) and 3(xvi)(b) of the Order are not applicable to the Company.
 - b. The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, clause 3(xvi)(b) of the Order is not applicable to the Company.
 - c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Accordingly, Clause 3(xvi)(c) of the order is not applicable to the Company.
 - d. According to the information and explanations provided to us during the course of audit, the Group does not have any CICs. Accordingly, the requirements of clause 3(xvi)(d) are not applicable to the Company.
- 17) The Company has not incurred any cash losses in the current and in the immediately preceding financial year
- 18) There has been no resignation of the statutory auditors during the year.
- 19) According to the information and explanations given to us and on the basis of the financial ratios (also refer note-42) of Additional Regulatory Information) to Financial Statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.



20) (a) The Company has not transferred the amount of Rs. 130.55 Lakhs, remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 (the Act), till the date of the report. However, the period for such transfer i.e. six months of the expiry of the financial year as permitted under second proviso to sub-section (5) of section 135 of the Act, has not elapsed till the date of our report. This matter has been disclosed in note 42ja to the financial statement.

(b) There are no unspent amounts in respect of ongoing projects, that are required be transferred to the Special account in compliance of provision of sun section (6) of section 135 of Companies Act, 2013. This matter has been disclosed in note 42ja to the financial statement.

For RSPH & ASSOCIATES

(Chartered Accountants)

FRN No. 003013N

CA TARUN KUMAR BATRA

Partner

Membership Number: - 094318

Place: New Delhi

Date:-17-05-2024

UDIN: -24094318BKFLDH9777



Annexure B to the Independent Auditors' report on the Financial Statements of M/S Meja Urja Nigam Private Limited for the year ended 31 March 2024

Report on the Internal Financial Controls with reference to the aforesaid Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 3(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the Internal Financial Controls with reference to Financial Statements of **Meja Urja Nigam Private Limited** ("the Company") as of 31 March 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibilities for Internal Financial Controls

The Company's management is responsible for establishing and maintaining Internal Financial Controls with reference to Financial Statements based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "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 the 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on audit internal financial control over financial reporting (the "guidance Note") issued by the ICAI and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to Financial Statements. 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 with reference to Financial Statements 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls, with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.



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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 with reference to Financial Statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's Internal Financial Controls with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to Financial Statements include 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 Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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 with reference to Financial Statements to future periods are subject to the risk that the internal financial controls with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at 31 March 2024, based on the criteria for internal financial controls with reference to Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the ICAI.

For RSPH & ASSOCIATES
(Chartered Accountants)
FRN. 003013N

CA TARUN KUMAR BATRA
Partner

Membership No.- 094318

Place: New Delhi

Date:-17-05-2024

UDIN No.-24094318BKFLDH9777



Annexure “C” to the Independent Auditors’ report on the Financial Statements of Meja Urja Nigam Private Limited for the year ended 31 March 2024

S. No	Directions	Action Taken	Impact on Financial Statement
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the Integrity of the accounts along with the financial implications, if any, may be stated.	As per the information and explanation given to us, the company has a system in place to process all the accounting transactions through IT system. SAP-ERP has been implemented for the processes like Financial Accounting (FI), Controlling (CO), Sales and Distribution (SD), Payroll/Human Capital Management HCM), Material Management (MM), Commercial billing/Industry Solution Utilities (ISU), etc. Based on the audit procedures carried out as per the information and explanations given to us, no accounting transactions have been processed/carried outside the IT system. Accordingly, there are no implications on the integrity of the accounts.	Nil
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is	Based on the audit procedures carried out and as per the information and explanations given to us, there was no restructuring of existing loans or cases of waiver/write off of debts/loans/interest etc. made by the lender to the company due to the company's inability to repay the loan.	Nil



	also applicable for statutory auditor of lender company)		
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation	According to information and explanations given to us, no fund (grant/subsidy etc.) has been received or receivable for specific schemes from Central/State Governments or its agencies.	Nil

**For RSPH & ASSOCIATES
(Chartered Accountants)**

FRN No. 003013N



CA TARUN KUMAR BATRA

Partner

Membership Number: - 094318

Place: New Delhi

Date: - 17-05-2024

UDIN: - 24094318BKFLDH9777

Compliance Certificate

We have conducted the audit of annual accounts of **Meja Urja Nigam Private Limited** for the year ended 31st March 2024 in accordance with the directions/sub-directions issued by the C&AG of India under section 143(5) of the Companies Act, 2013 and certify that we have complied with all the Directions/Sub-directions issued to us.

**For RSPH & ASSOCIATES
(Chartered Accountants)**

FRN No. 003013N



CA TARUN KUMAR BATRA

Partner

Membership Number: - 094318

Place: New Delhi

Date: - 17-05-2024

UDIN: - 24094318BKFLDH9777

MEJA URJA NIGAM PVT. LTD.

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

CIN: U74900DL2008PTC176247

BALANCE SHEET AS AT 31st March 2024

Amount in ₹ lakh

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
ASSETS			
Non-current assets			
Property, plant and equipment	2	9,22,499.85	9,66,299.87
Capital work in progress	3	75,710.90	76,095.80
Intangible assets	4	503.80	765.34
Financial Assets			
Trade Receivables	5	1,320.99	3,188.42
Other Financial Assets	6	588.24	3,569.58
Deferred Tax Assets (Net)	37 (d) B	-	8,478.04
Other non-current assets	7	10,376.91	12,969.11
Total Non-current assets		10,11,000.69	10,71,366.16
Current Assets			
Inventories	8	45,157.45	43,841.59
Financial assets			
Trade Receivables	9	52,236.78	90,501.86
Cash and cash equivalents	10	23,658.45	5,377.18
Bank balances other than cash and cash equivalents	11	7,417.79	4,811.01
Other financial assets	12	467.51	965.86
Other current assets	13	15,311.53	18,846.41
Current Tax assets (Net)	14	483.50	351.19
Total Current Assets		1,44,733.01	1,64,695.10
Deferred Expenses	15	9,405.90	5,213.85
Total Assets		11,65,139.60	12,41,275.11
EQUITY & LIABILITIES			
EQUITY			
Equity Share capital	16	3,65,266.96	3,56,881.96
Other equity	17	22,623.02	(11,912.76)
Total Equity		3,87,889.98	3,44,969.20
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Borrowings	18	5,83,393.51	6,57,761.50
Other financial liabilities	19	135.20	113.21
Provisions	20	1,686.73	10.53
Deferred Tax Liabilities (Net)	37 (d) B	3,995.28	-
Total Non-current liabilities		5,89,210.72	6,57,885.24
Current liabilities			
Financial liabilities			
Borrowings	21	1,14,525.72	1,25,505.53
Trade payables	22		
(a) total outstanding dues of micro enterprises and small enterprises; and		397.58	290.55




(b) total outstanding dues of creditors other than micro enterprises and small enterprises.		9,780.71	23,014.96
Other financial liabilities	23	54,156.82	71,937.58
Other current liabilities	24	2,238.41	2,882.53
Provisions	25	1,232.62	1,539.38
Total Current liabilities		1,82,331.86	2,25,170.53
Regulatory deferral account credit balances	26	5,707.04	13,250.14
TOTAL EQUITY AND LIABILITIES		11,65,139.60	12,41,275.11

Material accounting policies

The accompanying notes 1 to 42 form an integral part of these financial statements.

For & on behalf of the Board of Directors

1


Anil Parwal
CFO
PAN: AEJPR0327J


Kamlesh Soni
CEO
PAN: AESPS1046L


Nidhi Kumar Narang
Director
DIN: 03473420


K. Sundaram
Chairman
DIN: 10347322


Priyanka Sethi
Company Secretary
PAN: FQKPS8293A

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

For R S P H & Associates,
Chartered Accountants
Firm Reg. No. 003013N



(Tarun Kumar Batra)

Partner

M No. 094318

Place: New Delhi

Dated : 17-05-2024

ICAI UDIN : 24094318BKFLDH9777

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March 2024

Particulars	Note No.	Amount in ₹ lakh	
		For the year ended 31.03.2024	For the year ended 31.03.2023
Revenue			
Revenue from Operation	27	4,24,188.05	3,79,897.59
Other income	28	4,143.15	3,943.92
Total Revenue		<u>4,28,331.20</u>	<u>3,83,841.51</u>
Expenses			
Fuel Cost	29	2,56,135.30	2,39,309.63
Employee benefits expenses	30	8,860.47	9,931.75
Finance costs	31	54,751.37	56,201.42
Depreciation and amortization expenses	32	53,433.32	52,596.38
Other expenses	33	19,952.63	18,679.90
Total expenses		<u>3,93,133.09</u>	<u>3,76,719.08</u>
Profit before exceptional items, tax and Regulatory deferral account balances		35,198.11	7,122.43
Exceptional items-(income) / expenses		-	-
Profit before tax and Regulatory deferral account balances		35,198.11	7,122.43
Tax expenses			
Current tax			
Current year		-	-
Earlier years			
Deferred tax	37 (d) A	12,474.07	(7,516.13)
Total tax expenses		<u>12,474.07</u>	<u>(7,516.13)</u>
Profit (loss) for the year before regulatory deferral account balances		22,724.04	14,638.56
Net Movement in Regulatory Deferral account	35	12,082.26	(6,051.61)
Profit (loss) for the Year		<u>34,806.30</u>	<u>8,586.95</u>
Other comprehensive income			
Item that will not be classified to profit & loss			
Net actuarial gain (loss) on defined benefit plan		(3.00)	0.48
less: Income tax on Net actuarial gain (loss) on defined benefit plan		(0.75)	0.12
Total comprehensive income / (expenses) for the year		<u>34,804.05</u>	<u>8,587.31</u>
Expenditure during construction period (net)	34		
Earning per share (Par Value Rs. 10/- each)	37(i)		
Basic (Rs.) (from operations including net movement in regulatory deferral account balances)		0.97	0.24
Basic (Rs.) (from operations excluding net movement in regulatory deferral account balances)		0.63	0.41
Diluted (Rs.) (from operations including net movement in regulatory deferral account balances)		0.97	0.24
Diluted (Rs.) (from operations excluding net movement in regulatory deferral account balances)		0.63	0.41
Material accounting policies	1		

The accompanying notes 1 to 42 form an integral part of these financial statements.

For & on behalf of the Board of Directors


 Anil Parwal
 CFO
 PAN: AEJPR0327J


 Kamlesh Soni
 CEO
 PAN: AESPS1046L


 Nidhi Kumar Narang
 Director
 DIN: 03473420


 K. Sundaram
 Chairman
 DIN: 10347322


 Priyanka Sethi
 Company Secretary
 PAN: FQKPS8293A

This is the Statement of Profit & Loss referred to in our report of even date.
 For R S P H & Associates,
 Chartered Accountants
 Firm Reg. No. 00301317

(Tarun Kumar Batra)
 Partner
 M No. 094318



Place: New Delhi
 Dated: 17-05-2024
 ICAI UDIN: 24094318BKFLDH9777

STATEMENT OF CHANGES IN EQUITY

(A). Equity Share Capital
 For the period / year ended 31st March 2024

				Amount in ₹ lakh
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period	Restated balance at the beginning of the current	Changes in equity share capital during the current	Balance at the end of the current reporting period
3,56,881.96	-	-	8,385.00	3,65,266.96

For the year ended 31st March 2023

				Amount in ₹ lakh
Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
3,49,999.96	-	-	6,882.00	3,56,881.96

(B). Other Equity
 For the period / year ended 31st March 2024

Particulars	Share Application Money Pending allotment	Reserves & Surplus		Total
		Retained Earnings	Fly Ash Utilisation Reserve fund	
Balance at the beginning of the reporting period;	1,555.50	(15,436.04)	1,967.78	(11,912.76)
Changes in accounting policy or prior period errors				-
Restated balance at the beginning of the reporting period				-
Total Comprehensive Income for the year		34,806.30	-	34,806.30
Other Comprehensive Income for the year		(2.25)		(2.25)
Dividends				-
Transfer to Retained earnings		-	-	-
Any Other Changes		-	-	-
Application Money Received	6,829.50	-	-	6,829.50
Less : Shares allotted against application money received	8,385.00	-	-	8,385.00
Accretion / (utilisation) in fly ash utilisation fund (net)			1,287.23	1,287.23
Balance at the end of reporting period	-	19,368.01	3,255.01	22,623.02

For the year ended 31st March 2023

Particulars	Share Application Money Pending allotment	Reserves & Surplus		Total
		Retained Earnings	Fly Ash Utilisation Reserve fund	
Balance at the beginning of the reporting period;	3,441.00	(24,023.35)	1,208.13	(19,374.22)
Changes in accounting policy or prior period errors				-
Restated balance at the beginning of the reporting period				-
Total Comprehensive Income for the year		8,586.95	-	8,586.95
Other Comprehensive Income for the year		0.36		0.36
Dividends				-
Transfer to Retained earnings		-	-	-
Any Other Changes		-	-	-
Application Money Received	4,996.50	-	-	4,996.50
Less : Shares allotted against application money received	6,882.00	-	-	6,882.00
Accretion / (utilisation) in fly ash utilisation fund (net)			759.65	759.65
Balance at the end of reporting period	1,555.50	(15,436.04)	1,967.78	(11,912.76)

Note: Other comprehensive income adjusted in retained earnings amounting to Rs (2.25) lakh (31st March 2023: Rs. 0.36 Lakhs) represents remeasurement of defined benefit plans.

For & on behalf of the Board of Directors


 Anil Paul
 CEO
 PAN: AEJPR0327J


 Kamlesh Soni
 CEO
 PAN: AESPS1046L


 Nidhi Kumar Narang
 Director
 DIN: 03473420


 K. Sundaram
 Chairman
 DIN: 10347322


 Priyanka Sethi
 Com. Secy
 PAN: FQKPS8293A

For R S P H & Associates
 Chartered Accountants
 Firm Reg. No. 103013N

(Tarun Kumar Batra
 Partner
 M No. 094318

Place: New Delhi
 Dated 17-05-2024
 ICAI UDIN : 24094318BKFLDH9777



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024

Particulars	Amount in ₹ lakh	
	For the year ended 31.03.2024	For the year ended 31.03.2023
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit (Loss) before tax and regulatory deferral account balances	35,198.11	7,122.43
Add : Net movement in regulatory deferral account	12,082.26	(6,051.61)
Add : Exceptional items-income / (expense)	-	-
Profit/(Loss) before tax including movement in regulatory deferral account	47,280.37	1,070.82
Adjustment for:		
-Depreciation and amortization expense	53,433.32	52,596.38
-Provisions	(3.00)	0.48
-Fly Ash Utilisation Reserve fund	1,287.23	759.65
-late payment surcharge from Beneficiary	(187.42)	(1,198.40)
-Interest from Deposit with Banks	(855.30)	(103.94)
-Regulatory deferral account balances	(13,347.00)	6,627.12
-Finance Cost	54,738.84	56,197.87
-(Profit) Loss on de-recognition of property, plant and equipment	(0.70)	(0.10)
-Unwinding of discount on vendor liability	12.53	3.55
-Unwinding of discount on trade receivables	407.25	1,742.94
-Excess liability written back	(376.83)	(12.13)
Operating profit before working Capital Changes	1,42,389.29	1,17,684.24
Adjustment for:		
-Trade Payables	(13,127.22)	10,594.82
-Other financial liabilities, provision & other current liabilities	1,663.16	3,908.62
-Inventories	7,071.23	1,034.58
-Trade receivables current & non -current	39,774.22	(16,362.91)
-Other financial assets & Other assets	7,284.84	(13,192.84)
Cash generated from operations	1,85,055.52	1,03,666.51
Income Tax (Paid) /Refund	(466.95)	(287.83)
Net Cash from Operating Activities - A	1,84,588.57	1,03,378.68
B. CASH FLOW FROM INVESTING ACTIVITIES		
-late payment surcharge received from Beneficiary	138.46	581.12
-Interest Received from Deposit with Banks	644.00	61.10
-Bank Balances Other than Cash & Cash Equivalent	(2,357.24)	917.05
-Proceeds from assets sold	0.70	0.10
-Purchase of Property Plant & Equipment & Capital work in progress	(28,231.16)	(28,998.85)
Net Cash Flow from Investing Activities - B	(29,805.24)	(27,439.48)
C. CASH FLOW FROM FINANCING ACTIVITIES		
-Proceeds from issue of Share	8,385.00	3,441.00
-Share Application Money	(1,555.50)	1,555.50
-Proceeds from Long Term Borrowing	14,223.29	33,110.23
-Repayment of Long Term Borrowing	(74,025.23)	(58,786.49)
-Proceeds/(Repayment) from Current borrowings	(20,089.06)	(3,816.81)
-Interest and Finance Charges	(63,440.56)	(61,783.11)
Net Cash Flow from Financing Activities - C	(1,36,502.06)	(86,279.68)
Net increase/Decrease in Bank balances (A+B+C)	18,281.27	(10,340.48)
Cash and cash equivalent at the beginning of the year	5,377.18	15,717.66
Cash and cash equivalent at the end of the year	23,658.45	5,377.18
Note:		
1 Reconciliation of Cash & Cash Equivalents:		
Cash & Cash Equivalent as per Note-10	23,658.45	5,377.18
2 Cash & cash equivalent included in the cash flow statement comprise of Balances with bank and deposit with original maturity less than three months.		
3 Refer Note No. 39 II for details of the undrawn borrowings facilities that may be available for future operating activities and to settle capital commitments.		
4 Cash and cash equivalents in the cash flow statement comprise cash at banks, cash on hand and short term deposits with an original maturity of three months or less, that are readily convertible to known amount of cash and which are subject to an insignificant risk of changes in value.		
5 Statement of cash flows is prepared in accordance with the indirect method prescribed in Ind AS 7-'Statement of cash flows'.		

6 Reconciliation between the opening and closing balances for liabilities arising from financing activities

For the year ended 31st March 2024

Particulars	Non-current	Current Borrowings
Opening Balance as at 1st April 2023	7,25,757.26	66,623.29
Cash flow during the year	(1,20,189.63)	(23,141.93)
Non Cash Changes due to		
- Interest paid on borrowings	53,405.26	3,052.87
- Variation in Exchange Rates	(5,456.80)	
Closing Balance as at 31st March 2024	<u>6,53,516.09</u>	<u>46,534.23</u>

For the year ended 31st March 2023

Particulars	Non-current borrowings*	Current Borrowings
Opening Balance as at 1st April 2022	7,54,566.52	70,440.10
Cash flow during the year	(83,524.40)	(7,751.78)
Non Cash Changes due to		
- Interest paid on borrowings	53,913.17	3,934.97
- Variation in Exchange Rates	801.97	
Closing Balance as at 31st March 2023	<u>7,25,757.26</u>	<u>66,623.29</u>

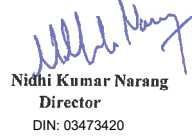
*Includes current -maturities of non current borrowings and interest accrued thereon refer Note 21 & Note 23

The accompanying notes 1 to 42 form an integral part of these financial statements.

For & on behalf of the Board of Directors


Anil Parwal
CEO
PAN: AEJPR0327J


Kamlesh Soni
CEO
PAN: AESPS1046L


Nidhi Kumar Narang
Director
DIN: 03473420


K. Sundaram
Chairman
DIN: 10347322


Priyanka Sethi
Company Secretary
PAN: FQKPS8293A

This is the Statement of Cash Flow referred to in our report of even date.
For R S P H & Associates,
Chartered Accountants
Firm Reg. No. 003013N

(Tarun Kumar Bhatra)
Partner
M No. 094318



Place: New Delhi

Dated: 17-05-2024

ICAI UDIN: 24094318BKFLDH9777

Note No. 1. Company Information and Material Accounting Policies:

A. Reporting entity

Meja Urja Nigam Private Limited (the "Company") is a 50:50 Joint Venture Company of NTPC Limited & Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited, domiciled in India and limited by shares (CIN:U74900DL2008PTC176247). The address of the Company's registered office is NTPC Bhawan, SCOPE Complex, 7 Institutional Area, and Lodhi Road, New Delhi 110003. The Company is having objective to generate and sale of power to State Power Utilities.

B. Basis of preparation

1. Statement of Compliance

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

These financial statements were approved for issue by the Board of Directors in its meeting held on 17th May 2024.

2. Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities that are measured at fair value (refer policy number C-19 of accounting policy regarding financial instruments). The methods used to measure fair values are discussed in notes to the financial statements.

3. Functional and presentation currency

These financial statements are presented in Indian Rupees (₹) which is the Company's functional currency. All financial information presented in (₹) has been rounded to the nearest lakh (up to two decimals), except when indicated otherwise.

4. Current and non-current classification

The Company classifies its assets and liabilities as current/non-current in the balance sheet considering 12 months period as normal operating cycle.

C. Material accounting policies

A summary of the material 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.

M



The Company has opted to utilize the option under Ind AS 101-‘First time adoption of Indian Accounting Standards’ by not applying the provisions of Ind AS 16-‘Property, plant and equipment’& Ind AS 38- ‘Intangible assets’ retrospectively and continue to use the previous GAAP carrying amount as a deemed cost under Ind AS at the date of transition to Ind AS i.e. 1 April 2015. Therefore, the carrying amount of property, plant and equipment and intangible assets as per the previous GAAP as at 1 April 2015, i.e. the Company’s date of transition to Ind AS, were maintained on transition to Ind AS.

1. Property, plant and equipment

1.1 Initial recognition and measurement

An item of property, plant and equipment is recognized as an asset if and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment are initially recognized at cost. Subsequent measurement is done at cost less accumulated depreciation/amortization and accumulated impairment losses.

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

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

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

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

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

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

Excess of net sale proceed of items produced while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management is deducted from the directly attributable cost considered as part of an item of property, plant and equipment.

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1.2 Subsequent costs

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

Expenditure on major inspection and overhauls of generating unit is capitalized, when it meets the asset recognition criteria. Any remaining carrying amount of the cost of the previous inspection and overhaul is derecognized.

The cost of replacing major part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized regardless of whether the replaced part has been depreciated separately. If it is not practicable to determine the carrying amount of the replaced part, the Company uses the cost of the replacement as an indication of what the cost of replaced part was at the time it was acquired or constructed. The costs of the day-to-day servicing of property, plant and equipment are recognized in the statement of profit and loss as and when incurred.

1.3 Decommissioning costs

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

1.4 De-recognition

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

1.5 Depreciation/amortization

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

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

By



a) Kutcha roads	2 years
b) Enabling works- Enabling works – residential and non-residential buildings, including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips	5-15 years
c) Personal computers & laptops including peripherals.	3 years
d) Temporary erections including wooden structures.	1 year
e) Energy saving electrical appliances and fittings.	2-7 years
f) Solar/wind power plants which are not governed by CERC Tariff Regulations.	25 years
g) Furniture, Fixture, Office equipment and Communication equipment	5-15 years

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

Capital spares are depreciated considering the useful life ranging between 2 to 40 years based on technical assessment.

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

Right-of-use land and buildings relating to generation of electricity business which are not governed by CERC tariff Regulations are fully amortized on straight line method over the lease period or life of the related plant whichever is lower.

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

Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long-term liabilities (recognized up to 31st March 2016) on account of exchange fluctuation and price adjustment change in duties or similar factors, the unamortized balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/amortization.

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

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

Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 and the date that the asset is de-recognised.

Refer policy number C-14 in respect of depreciation/amortization of right-of-use assets other than land and building.

2. Capital work-in-progress

Cost incurred for property, plant and equipment that are not ready for their intended use as on the reporting date, is classified under capital work- in-progress.

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

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

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

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

3. Intangible assets and intangible assets under development

3.1 Initial recognition and measurement

Intangible assets that are acquired by the Company, which have finite useful lives, are recognized at cost. Subsequent measurement is done at cost less accumulated amortization and accumulated impairment losses.

3.2 Subsequent costs

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

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3.3 De-recognition

An intangible asset is derecognized when no future economic benefits are expected from their use or upon their disposal. Gain or loss on de-recognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of intangible assets and are recognized in the statement of profit and loss.

3.4 Amortization

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

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

4. Regulatory deferral account balances

Expense/income recognized in the statement of profit and loss to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are recognized as 'Regulatory deferral account balances'.

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

Regulatory deferral account balances are evaluated at each balance sheet date to ensure that the underlying activities meet the recognition criteria and it is probable that future economic benefits associated with such balances will flow to the entity. If these criteria are not met, the regulatory deferral account balances are derecognized.

5. Borrowing costs

Borrowing costs consist of (a) interest expense calculated using the effective interest method as described in Ind AS 109 – 'Financial Instruments' (b) interest expense on lease liabilities recognized in accordance with Ind AS 116– 'Leases' and(c) exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

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



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 all borrowings that are outstanding during the period and used for the acquisition, construction/exploration or erection of the qualifying asset. However, borrowing costs applicable to borrowings made specifically for the purpose of obtaining a qualifying asset, are excluded from this calculation, until substantially all the activities necessary to prepare that asset for its intended use are complete.

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

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

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

The Company can incur borrowing costs during an extended period in which it suspends the activities necessary to prepare an asset for its intended use. Such costs are costs of holding partially completed assets and are not eligible for capitalisation. However, the Company does not normally suspend capitalising borrowing costs during a period when it carries out substantial technical and administrative work. The Company also does not suspend capitalising borrowing costs when a temporary delay is a necessary part of the process of getting an asset ready for its intended use.

6. Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is determined on weighted average basis.

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

7. Fly ash utilization reserve fund

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

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8. Provisions, contingent liabilities and contingent assets

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

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

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. The expense relating to a provision is presented in the statement of profit and loss net of reimbursement, if any.

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

Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are disclosed in the financial statements when inflow of economic benefits is probable on the basis of judgment of management. These are assessed continually to ensure that developments are appropriately reflected in the financial statements.

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the Company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received from the contract.

9. Foreign currency transactions and translation

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

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Monetary assets and liabilities denominated in foreign currencies outstanding at the reporting date 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 the statement of profit and loss in the year in which it arises with the exception that exchange differences on long term monetary items related to acquisition of property, plant and equipment recognized up to 31st March 2016 are adjusted to the carrying cost of property, plant and equipment.

Non-monetary items denominated in foreign currency which are measured in terms of historical cost are recorded using the exchange rate at the date of the transaction. In case of advance consideration received or paid in a foreign currency, the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income (or part of it), is when the Company initially recognizes the non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration.

10. Revenue

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

10.1 Revenue from sale of energy

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

Revenue from sale of energy is accounted for based on tariff rates approved by the CERC (except items indicated as provisional) as modified by the orders of Appellate Tribunal for Electricity to the extent applicable. In case of power stations where the tariff rates are yet to be approved/items indicated provisional by the CERC in their orders, provisional rates are adopted considering the applicable CERC Tariff Regulations. Revenue from sale of energy is recognized once the electricity has been delivered to the beneficiary and is measured through a regular review of usage meters. Beneficiaries are billed on a periodic and regular basis. As at each reporting date, revenue from sale of energy includes an accrual for sales delivered to beneficiaries but not yet billed i.e. contract assets/ unbilled revenue.

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

Part of revenue from energy sale where CERC tariff Regulations are not applicable is

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recognized based on the rates, terms & conditions mutually agreed with the beneficiaries and trading of power through power exchanges.

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

Exchange differences on account of translation of foreign currency borrowings recognized up to 31 March 2016, to the extent recoverable from or payable to the beneficiaries in subsequent periods as per the CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset' with corresponding credit to 'Deferred income from foreign currency fluctuation'. Deferred income from foreign currency fluctuation account is amortized in the proportion in which depreciation is charged on such exchange differences and same is adjusted against depreciation expense. Fair value changes in respect of forward exchange contracts for derivatives recoverable from/payable to the beneficiaries as per the CERC Tariff Regulations, are recognized in sales.

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

10.2 Other income

Interest income is recognized, when no significant uncertainty as to measurability or collectability exist, on a time proportion basis taking into account the amount outstanding and the applicable interest rate, using the effective interest rate method (EIR). For debt instruments measured either at amortized cost or at fair value through other comprehensive income (OCI), interest income is recognized using the EIR to the gross carrying amount of the financial asset and included in other income in the statement of profit and loss. For purchased or originated credit-impaired (POCI) financial assets interest income is recognized by calculating the credit-adjusted EIR and applying that rate to the amortized cost of the asset.

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

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

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

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

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11. Employee benefits

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

11.1 Defined benefit plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's liability towards gratuity is in the nature of defined benefit plans.

In respect of the own employee of the Company, the Company contribute towards Gratuity liability to insurer and related cost has been charged to employee benefits expense.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The fair value of any plan assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a benefit to the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. An economic benefit is available to the Company if it is realizable during the life of the plan, or on settlement of the plan liabilities. Remeasurement comprising of actuarial gain and losses, return on plan assets (excluding the amount included in net interest on the net defined liability) & effect of asset ceiling (excluding the amount included in net interest on the net defined liability) and the same are recognized in the Other Comprehensive Income (OCI) in the period in which they arise.

Past service costs are recognized in statement of profit and loss on the earlier of the date of the plan amendment or curtailment, and the date that the Company recognizes related restructuring costs. If a plan amendment, curtailment or settlement occurs, the current service cost and the net interest for the period after the remeasurement are determined using the assumptions used for the re-measurement.

11.2 Other long-term employee benefits

Benefits under the Company's leave encashment, half -pay leave scheme constitute other long term employee benefits.

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The Company's net obligation in respect of these long-term employee benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any related assets is deducted. The discount rate is based on the prevailing market yields of Indian government securities as at the reporting date that have maturity dates approximating the terms of the Company's obligations and that are denominated in the same currency in which the benefits are expected to be paid.

The actuarial calculation is performed annually by a qualified actuary using the projected unit credit method. Remeasurement comprising actuarial gain and losses, return on plan assets (excluding the amount included in net interest on the net defined liability) & effect of asset ceiling (excluding the amount included in net interest on the net defined liability) and the same are recognized in statement of profit and loss in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

11.3 Other Short-term benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognized for the amount expected to be paid under performance related pay if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

12. Other expenses

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

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

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

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

13. Income tax

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



Current tax is the expected tax payable on the taxable income for the year computed as per the provisions of Income Tax Act, 1961, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

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

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

Deferred tax liability is recognized for all taxable temporary differences, except when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of transaction, (i) affects neither accounting nor taxable profit or loss and (ii) does not give rise to equal taxable and deductible temporary differences.

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

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

14. Leases

14.1 As lessee

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a



contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contact involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

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

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

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

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

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

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

14.2 As lessor

At the inception of an arrangement, the Company determines whether such an arrangement is or contains a lease. A specific asset is subject of a lease if fulfilment of



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

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use assets arising from the head lease, not with reference to the underlying asset.

Accounting for finance leases

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

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

Accounting for operating leases

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

For operating leases, the power plant is capitalized as property, plant and equipment and depreciated over its economic life. Rental income from operating leases is recognized on a straight line basis over the term of the arrangement.

15. 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 the statement of profit and loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

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

16. Operating segments

In accordance with Ind AS 108-'Operating segments', the operating segments used to present segment information are identified on the basis of internal reports used by the Company's management to allocate resources to the segments and assess their performance. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The indicators used for internal reporting purposes may evolve in connection with performance assessment measures put in place. The Company is operating in Generation of the energy only as such no reportable segments as per the Chief operating decision maker (CODM) of the company.

17. Dividends

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

18. Material prior period errors

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

19. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. The Company recognizes a financial asset or a financial liability only when it becomes party to the contractual provisions of the instrument.

19.1 Financial assets

Initial recognition and measurement

All financial assets are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are

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directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value on initial recognition.

Subsequent measurement

Debt instruments at amortized cost

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

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

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

Business model assessment

The Company holds financial assets which arise from its ordinary course of business and investment property. The objective of the business model for these financial assets is to collect the amounts due from the Company's receivables and to earn contractual interest income on the amounts collected:

De-recognition

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

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

The difference between the carrying amount and the amount of consideration received/receivable is recognized in the statement of profit and loss.

Impairment of financial assets

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

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- (a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, debt securities, deposits and bank balance.
- (b) Financial assets that are debt instruments and are measured as at FVTOCI.
- (c) Lease receivables under Ind AS 116.
- (d) Trade receivables, unbilled revenue and contract assets under Ind AS 115.
- (e) Loan commitments which are not measured as at FVTPL.

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

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

For purchased or originated credit impaired financial assets, a loss allowance is recognized for the cumulative changes in lifetime expected credited losses since initial recognition.

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 and financial liabilities at amortized cost, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of liabilities subsequently measured at amortized cost net of directly attributable transaction cost. The Company's financial liabilities include trade and other payables, borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

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



Financial liabilities at amortized cost

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

De-recognition

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

19.3 Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform, the Company updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark reform if the following conditions are met:

- the change is necessary as a direct consequence of the reform; and
- the new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Company first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform and does not recognize a modification gain or loss in the statement of profit & loss. After that, the Company applied the policies on accounting for modifications to the additional changes.

19.4 Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 - 'Financial Instruments' and the amount recognized less the cumulative amount of income recognized in accordance with the principles of Ind AS 115 'Revenue from Contracts with

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Customers’.

19.5 Offsetting of financial assets and financial liabilities

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

20. Non -Current Assets Held for Sale

The Company classifies non-current assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and a sale is considered highly probable.

Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification as held for sale, and actions required to complete the plan of sale should indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-Current Assets held for sale and disposal groups are measured at the lower of their carrying amount and the fair value less cost of disposal.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortized.

In circumstances, where an item of property, plant and equipment and intangible asset is permanently abandoned and retired from active use, however criteria of ‘non-current assets held for sale’ as above are not met, such items are not classified as held for sale and continued to be depreciated over their revised useful lives, as assessed. Such assets are evaluated for impairment in accordance with material accounting policy number C-15.

D. Use of estimates and management judgements

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, revenue expenses and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date. The estimates and management’s judgments are based on previous experience & other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

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

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

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1. Formulation of accounting policies

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

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

The estimated useful life of property, plant and equipment and intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

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

3. Recoverable amount of property, plant and equipment and intangible assets

The recoverable amount of property, plant and equipment and intangible assets is based on estimates and assumptions regarding in particular the expected market outlook and future cash flows associated with the power plants. Any changes in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairments.

4. Defined benefit plans and long-term employee benefits

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any changes in these assumptions may have a material impact on the resulting calculations.

5. Revenues

The revenue from sale of energy comprises of recovery of fixed charges and recovery of variable charges from customers. Pending approval of tariff rates from CERC for recovery of fixed charges, the company records revenue from sale of energy (fixed charges) on the basis of provisional tariff rate considering applicable tariff regulation and based on management's best judgement, provisional tariff rate has been calculated as 88% of total fixed charges other than O&M expenses and 100% for O&M expenses.

6. Leases not in legal form of lease

Significant judgment is required to apply lease accounting rules as per Ind AS 116 in determining whether an arrangement contains a lease. In assessing arrangements entered into by the Company, management has exercised judgment to evaluate the right to use the underlying asset, substance of the transactions including legally enforceable agreements and other significant terms and conditions of the arrangements to conclude whether the arrangement meets the criteria as per Ind AS 116.



7. Assets held for sale

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

8. Regulatory deferral account balances

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

9. 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 requires best judgment by management regarding the probability of exposure to potential loss. Should circumstances change following unforeseeable developments, this likelihood could alter.

10. Income taxes

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



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

Particulars	Gross Block		Depreciation/Amortisation		Net Block		Amount in ₹ lakh	
	As at 01.04.2023	As at 31.03.2024	For the year	Deductions/ Adjustments	As at 01.04.2023	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024
Land : (including development expenses)								
Freehold	19,158.21	19,160.45	167.32	-	501.71	19,160.45	19,158.21	19,158.21
Roads, Bridges & culverts	3,733.38	8,776.60	-	-	-	8,107.57	3,231.67	3,231.67
Building								
- Main Plant	27,425.97	28,982.78	959.19	-	2,841.60	25,181.99	24,584.37	24,584.37
- Other	24,729.79	27,686.46	1,071.55	-	3,309.20	23,305.71	21,420.59	21,420.59
Temporary Erection	180.96	3.33	31.58	-	53.74	98.97	137.22	137.22
Water supply, drainage & Sewerage	6,350.12	6,357.18	316.37	-	1,177.65	4,863.16	5,172.47	5,172.47
MGR track and signalling system	-	336.86	5.14	-	-	331.72	-	-
Railway Siding	1,26,981.41	1,27,082.52	6,765.85	-	21,383.37	98,933.30	1,05,598.04	1,05,598.04
Earth Dam Reservoir	11,059.77	11,059.77	583.96	-	1,841.67	8,634.14	9,218.10	9,218.10
Plant and equipment	9,36,519.93	9,40,937.54	50,702.39	2,412.42	1,63,206.75	7,29,440.82	7,73,313.18	7,73,313.18
Furniture and fixtures	1,012.99	1,336.21	88.19	2.63	244.36	1,006.29	768.63	768.63
Vehicles	60.95	65.15	4.34	-	5.21	55.60	55.74	55.74
Office equipment	666.61	708.05	101.65	-	174.51	431.89	492.10	492.10
EDP, WP machines and satcom equipment	462.38	455.64	113.47	65.17	193.99	213.35	268.39	268.39
Construction Equipment	1,152.28	1,152.27	36.93	-	286.51	828.83	865.77	865.77
Electrical installations	2,106.59	2,125.83	537.87	-	537.87	1,449.84	1,568.52	1,568.52
Communication equipment's	103.18	103.18	11.17	-	72.09	19.92	31.09	31.09
Hospital Equipment's	209.88	222.89	27.99	-	63.48	131.42	146.40	146.40
Laboratory & Workshop equipment	355.22	412.39	31.67	-	75.84	304.88	279.38	279.38
Total	11,62,269.42	11,77,144.06	61,154.88	2,480.22	1,95,969.55	9,22,499.85	9,66,299.87	9,66,299.87

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

Particulars	Gross Block		Depreciation/Amortisation		Net Block		Amount in ₹ lakh	
	As at 01.04.2022	As at 31.03.23	For the year	Deductions/ Adjustments	As at 01.04.2022	As at 31.03.2023	As at 31.03.2022	As at 31.03.2023
Land : (including development expenses)								
Freehold	19,158.21	19,158.21	132.28	-	369.43	19,158.21	19,158.21	19,158.21
Roads, Bridges & culverts	3,733.38	3,733.38	-	-	-	3,231.67	3,363.95	3,363.95
Building								
- Main Plant	27,412.23	27,425.97	92.92	-	1,919.68	24,584.37	25,492.55	25,492.55
- Other	23,949.49	24,729.79	1,058.61	-	2,250.59	21,420.59	21,698.90	21,698.90
Temporary Erection	180.48	0.48	34.96	-	18.78	127.22	161.70	161.70
Water supply, drainage & Sewerage	6,349.40	6,350.12	313.24	-	864.41	5,172.47	5,484.99	5,484.99
MGR track and signalling system	-	336.86	-	-	-	-	-	-
Railway Siding	1,24,234.07	1,26,981.41	6,602.97	-	14,780.40	1,05,598.04	1,09,453.67	1,09,453.67
Earth Dam Reservoir	11,059.77	11,059.77	583.96	-	1,257.71	9,218.10	9,802.06	9,802.06
Plant and equipment	9,19,826.55	9,36,519.93	49,939.10	700.36	1,13,267.65	7,73,313.18	8,06,558.90	8,06,558.90
Furniture and fixtures	937.68	1,012.99	69.08	-	175.28	768.63	762.40	762.40
Vehicles	60.95	60.95	3.76	-	1.45	55.74	59.50	59.50
Office equipment	577.01	666.61	45.01	-	129.50	447.51	447.51	447.51
EDP, WP machines and satcom equipment	205.77	205.77	45.01	7.50	133.12	492.10	492.10	492.10
Construction Equipment	1,152.28	1,152.28	36.93	-	249.58	268.39	268.39	268.39
Electrical installations	2,105.79	2,106.39	135.36	-	402.51	865.77	902.70	902.70
Communication equipment's	103.18	103.18	10.48	-	61.61	31.09	41.57	41.57
Hospital Equipment's	196.81	209.88	27.44	-	36.04	146.40	160.77	160.77
Laboratory & Workshop equipment	351.20	355.22	20.09	-	55.75	279.38	295.45	295.45
Total	11,41,594.25	11,62,269.42	60,003.56	707.86	1,35,973.49	9,66,299.87	10,05,620.76	10,05,620.76



- a) The Company is holding conveyancing title in respect of all pieces of freehold land awarded / acquired admeasuring to 1294.97 Hectares, however mutation of the land acquired by the Company is pending in respect of 0.3456 Hectares (31 March 2023 0.3456 Hectare).
- b) Refer Note 18 in respect of property, plant & equipment mortgaged/hypothecated as security by the company to lending institution.

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

	Gross Block		Depreciation/Amortisation	
	As at 31.03.2024	As at 31.03.2023	As at 31.03.2024	As at 31.03.2023
Disposal of assets	65.17	7.50	65.17	7.50
Retirement of Assets	4,994.08	-	2,415.05	-
Transfer in of assets from one head to another head	-	-	-	-
Transfer out of assets from one head to another head	-	-	-	-
Cost Adjustment : Exchange Rate Variation for assets	4,745.82	700.36	-	-
	9,805.07	707.86	-2,480.22	7.50

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

Assets	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Buildings - Other	1,015.71	875.28
Temporary Erection	179.53	142.19
Water supply, drainage & Sewerage system	129.83	118.29
Plant and equipment	1,907.29	1,951.10
Furniture and fixtures	82.96	66.30
Office equipment	235.35	130.19
EDP, WP machines and satcom equipment	326.10	316.07
Hospital Equipment	13.13	8.37
Electrical installations	2.14	2.14
Communication equipment's	103.36	95.71
Laboratory & Workshop equipment	3.95	0.41
	3,999.35	3,706.05

- e) Exchange differences and borrowing cost in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of Property, plant and equipment. Details of exchange differences and borrowing costs included in the cost of major heads of property, plant and equipment through 'Deductions/Adjustments' column are given below:

Assets :	Amount in ₹ lakh	
	For the year ended on 31.03.2024	For the year ended on 31.03.2023
Plant and machinery	Exchange Difference	Exchange Difference
	Borrowing Cost	Borrowing Cost
	4,745.82	700.36
	4,745.82	700.36

- f) Spare parts of Rs 5 lakh and above, stand-by equipment and servicing equipment which meet the definition of property, plant and equipment are capitalised.
- g) Impairment losses recognised during the year in accordance with Ind-AS 'Impairment of Assets' based on management assessment. Rs. Nil. (Up to 31/03/2023 : Rs. Nil)
- h) Refer Note No. 38 for contractual commitment for the acquisition of Property, Plant & equipment's.
- i) Property, plant and equipment's costing Rs. 5000/- or less are depreciated fully in the year of acquisition.
- j) The Company has not revalued any of its property plant and equipment during the year.
- k) Refer Note 41 (f) for capitalisation of plant and equipment from certain items of stores and spares from inventory.
- l) Refer Note 38 (c) for disclosure of contractual commitments for the acquisition of property, plant & equipment.



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

Particulars	As at		Additions	Deductions & Adjustments		Capitalised	Amount in ₹ lakh	
	01.04.2023	As at 31.03.2024		As at 01.04.2023	As at 31.03.2024			
Development of land	12.08	-	9.62	-	-	-	21.70	
Roads, bridges, culverts & helpaxs	22.66	-	5,020.56	-	-	5,043.22	-	
Buildings :								
Main plant	790.29	-	1,663.05	22.11	-	1,556.81	874.42	
Others	960.32	-	2,076.99	33.72	-	2,949.11	54.48	
Temporary erection	-	-	3.33	-	-	3.33	-	
Water supply, drainage and sewerage system	-	-	7.07	-	-	7.07	-	
Earth dam reservoir	-	-	19.79	-	-	19.79	-	
Plant and equipment	66,193.33	-	4,303.65	(587.86)	-	3,204.72	67,880.12	
Furniture and fixtures	20.38	-	0.00	3.22	-	17.16	-	
Office Equipment	-	-	-	-	-	-	-	
EDP/WP Machines & Satcom Equipments	-	-	1.32	-	-	1.32	-	
Electrical installations	266.89	-	48.93	(16.21)	-	-	332.03	
Communication equipment	-	-	-	-	-	-	-	
Hospital Equipments	-	-	9.86	-	-	9.86	-	
Railway Siding	1,269.86	-	-	343.13	-	437.97	488.76	
	69,535.81	13,164.17	13,164.17	(201.89)	-	13,230.57	69,671.30	
Expenditure pending allocation	0.00	-	1,904.53	-	-	-	1,904.53	
Expenditure during construction period (net)*	0.00	-	1,904.54	-	-	-	1,904.54	
Less: Allocated to related works	69,535.81	15,068.70	15,068.70	1,702.65	-	13,230.57	69,671.29	
	6,559.99	(520.38)	-	-	-	-	6,039.61	
Construction stores	76,095.80	14,548.32	14,548.32	1,702.65	-	13,230.57	75,710.90	
Total								

Particulars	As at		Additions	Deductions & Adjustments		Capitalised	Amount in ₹ lakh	
	01.04.2022	As at 31.03.2023		As at 01.04.2022	As at 31.03.2023			
Development of land	-	-	12.08	-	-	-	12.08	
Roads, bridges, culverts & helpaxs	-	-	22.66	-	-	-	22.66	
Buildings :								
Main plant	594.74	-	204.86	-	-	9.31	790.29	
Others	750.19	-	990.42	-	-	780.29	960.32	
Water supply, drainage and sewerage system	-	-	0.49	-	-	0.49	-	
Earth dam reservoir	-	-	0.72	-	-	0.72	-	
Plant and equipment	59,821.92	-	6,968.77	(2,109.67)	-	2,707.03	66,193.33	
Furniture and fixtures	-	-	20.38	-	-	-	20.38	
Electrical installations	2.99	-	263.90	-	-	-	266.89	
Railway Siding	2,000.43	-	1,886.20	-	-	2,616.77	1,269.86	
	63,170.27	10,370.48	10,370.48	(2,109.67)	-	6,114.61	69,535.81	
Expenditure pending allocation	0.00	-	2,109.62	-	-	-	2,109.67	
Expenditure during construction period (net)*	0.00	-	2,109.67	-	-	-	2,109.67	
Less: Allocated to related works	63,170.27	12,480.15	12,480.15	-	-	6,114.61	69,535.81	
	7,218.96	(658.97)	-	-	-	-	6,559.99	
Construction stores	70,389.23	11,821.18	11,821.18	-	-	6,114.61	76,095.80	
Total								

* Brought from expenditure during construction period (net) - Refer Note 34



Notes:

- a) Refer Note 18 in respect of property, plant & equipment mortgaged/hypothecated as security by the company to lending institution.
 b) Exchange differences and borrowing cost capitalised are disclosed in the 'Addition' column of Capital work-in-progress (CWIP) and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustments' column of CWIP.
 Details of exchange differences and borrowing costs included in the CWIP through 'Addition' or 'Deductions / Adjustments' column are given below:

Assets :	For the year ended on 31.03.2024		Amount in ₹ lakh	
	Exchange Difference	Borrowing Cost	Exchange Difference	Borrowing Cost
Plant & Machinery	-	1,724.57	-	1,845.00
	-	1,724.57	-	1,845.00

c) Ageing schedule of Capital Work in Progress :

Particulars/ Amount of CWIP for a period of...	As at 31st March 2024			Amount in ₹ lakh		
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Total
Project in progress	6,972.97	5,695.26	19,131.53	43,911.14	75,710.90	75,710.90
Project temporarily suspended	6,972.97	5,695.26	19,131.53	43,911.14	75,710.90	75,710.90
Total						

Particulars/ Amount of CWIP for a period of...	As at 31st March 2023			Amount in ₹ lakh		
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Total
Project in progress	11,104.28	20,303.16	37,707.05	6,981.31	76,095.80	76,095.80
Project temporarily suspended	11,104.28	20,303.16	37,707.05	6,981.31	76,095.80	76,095.80
Total						

d) Capital work-in-progress, whose completion is overdue or has exceeded its cost compared to its original plan:

Particulars/ Amount of CWIP to be completed in...	As at 31st March 2024			Amount in ₹ lakh		
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Total
Project in progress	66,849.74	239.74	58.69	175.49	67,450.71	67,450.71
-Flue-gas desulfurization	66,849.74	239.74	58.69	175.49	67,450.71	67,450.71
-AC System for Aux Building	239.74	58.69	175.49	50.58	65.19	65.19
-Ash Handling System	58.69	175.49	50.58	65.19	65.19	65.19
-Make-Up Water Systems & related Civil Work	175.49	50.58	65.19	65.19	65.19	65.19
-Buildings	50.58	65.19	65.19	65.19	65.19	65.19
-Internal Electrification	65.19	65.19	65.19	65.19	65.19	65.19
-Others	65.19	65.19	65.19	65.19	65.19	65.19
Total						

e) Refer Note 41 (f) in respect of adjustment/deduction in CWIP related to the earlier years.

Particulars/ Amount of CWIP to be completed in...	As at 31st March 2023			Amount in ₹ lakh		
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total	Total
Project in progress	64,161.73	234.67	1,155.87	92.54	65,696.56	65,696.56
-Flue-gas desulfurization	64,161.73	234.67	1,155.87	92.54	65,696.56	65,696.56
-AC System for Aux Building	234.67	1,155.87	92.54	51.75	51.75	51.75
-Flu Ash Silos	1,155.87	92.54	51.75	51.75	51.75	51.75
-Make-Up Water Systems & related Civil Work	92.54	51.75	51.75	51.75	51.75	51.75
-Others	51.75	51.75	51.75	51.75	51.75	51.75
Total						



4. Non-current Assets - Intangible assets

Particulars	Gross Block		Deductions/ Adjustments	As at 31.03.2024	Amortisation		Net Block	
	As at 01.04.2023	Additions			For the year	Deductions/ Adjustments	As at 31.03.2024	As at 31.03.2023
Right to Use - Land	392.60	35.27	18.44	409.43	28.86	18.44	344.13	337.72
Software	939.11	21.62	-	960.73	289.57	-	159.67	427.62
Total	1,331.71	56.89	18.44	1,370.16	318.43	18.44	503.80	765.34

Particulars	Gross Block		Deductions/ Adjustments	As at 31.03.2023	Amortisation		Net Block	
	As at 01.04.2022	Additions			For the year	Deductions/ Adjustments	As at 31.03.23	As at 31.03.2022
Right to Use - Land	392.61	(0.01)	-	392.60	17.11	-	337.72	354.84
Software	933.32	5.79	-	939.11	286.89	-	427.62	708.72
Total	1,325.93	5.78	-	1,331.71	304.00	-	765.34	1,063.56

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

	Gross Block		Depreciation/Amortisation
	As at 31.03.2024	As at 31.03.2023	
Retirement of Assets	18.44	-	18.44
	18.44	-	18.44

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

Assets	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Software	148.56	148.56
	148.56	148.56

c) The Company has not revalued any of its intangible assets during the year.

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



5. Trade Receivables

Particulars	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Trade receivables		
Unsecured, Consider good, at fair value	1,320.99	3,188.42
Total	1,320.99	3,188.42

- a) Amount recoverable from related parties are disclosed in Note No. 37 (h).
- b) Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 notified on 3 June 2022, provides that the outstanding dues of the beneficiaries including late payment surcharge (LPSC) up to the date of the said notification shall be rescheduled up to a maximum period of 46 months in the manner prescribed in the said Rules and no LPSC shall be charged on the outstanding dues from the date of notification subject to application to be made by the beneficiaries in this regard. Pursuant to the above, beneficiaries have applied for redetermination of their payment of dues under these Rules. The dues of such beneficiaries have been presented at their fair value as Non-current Trade Receivables Rs. 1320.99 lakh (Net of discounting of Rs. 27.63 lakh) (March 2023 : 3188.42 lakh (net of discounting of Rs. 183.14 lakh) considering the requirements of applicable Indian Accounting Standards.
- c) Refer note-21 for information on receivable hypothecated as security by the company.
- d) Ageing of trade receivables as at 31st March 2024 :

Particulars	Unbilled	Not due Refer foot note (b) above	Amount in ₹ lakh		
			Outstanding for following periods from due date of payment		
			Less than 6 Months	6 Months- 1 Year	1 - 2 Year
(i) Undisputed Trade receivables – considered good	-	1,320.99	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-
Total	-	1,320.99	-	-	-

- e) Ageing of trade receivables as at 31st March 2023 :

Particulars	Unbilled	Not due Refer foot note (b) above	Amount in ₹ lakh		
			Outstanding for following periods from due date of payment		
			Less than 6 Months	6 Months- 1 Year	1 - 2 Year
(i) Undisputed Trade receivables – considered good	-	3,188.42	-	-	-
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-
Total	-	3,188.42	-	-	-



6. Other Financial Assets

Particulars	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Security Deposit		
Unsecured Considered Good Security Deposits	185.87	185.87
Bank deposits with more than 12 Month Maturity		
Deposit With Bank with maturity more than 12 Month (including interest accrued)	395.47	3,383.71
Loans to employee - Unsecured	6.90	-
Total	588.24	3,569.58

- a) Deposit includes lien for margin against letter of credit of Rs 395.47 lakh (31st March 2023: Rs 384.89 lakh) and Rs Nil earmarked towards debt servicing repayment obligation (31st March 2023 : Rs. 2998.82 lakh)



7. Other - Non-current Assets

Particulars	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Capital advances		
Unsecured Considered Good		
Covered by bank guarantee	1,936.32	2,494.16
Others	7,105.21	9,165.70
Other		
Advance tax & tax deducted at source	1,334.66	1,309.25
Deferred Payroll Expenditure	0.72	-
Total	10,376.91	12,969.11

- a) Amount recoverable from related parties are disclosed in Note No. 37 (h)
- b) Advance tax & tax deducted at source includes Rs 1334.66 lakh (31st March 2023 : Rs. 1309.25 lakh) income tax adjusted against refund / deposited under protest by / with Income Tax Authorities which matters pending before appellate authority.
- c) Advance Tax & Tax deducted at source are net of Provision for income tax amounting to Rs Nil (31 March 2023: Rs. Nil) made during the year.



8. Current assets - Inventories

Particulars	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Coal	21,218.86	19,405.54
Fuel Oil	2,305.64	2,361.86
Stores & Spares	21,632.95	21,950.66
Steel Scrap	0.00	123.53
Total	45,157.45	43,841.59

- a) Inventory items have been valued as per accounting policy no. C.6 Note 1
- b) Refer Note 21 for information on inventories hypothecated as security by the Company.
- c) Inventory of Coal includes material in transit Rs 2275.84 lakh (FY 2022-23 Rs. 2042.97 lakh).
- d) The Company is operating in the Regulatory environment and as per CERC Tariff Regulations, Cost of Fuel & other inventory items are recovered as per extant tariff regulations, accordingly the realisable value of the inventory is not lower than the cost.
- e) Refer Note No. 41 (e) for the transfer of items of stores and spares to property plant & equipments.
- f) Refer Note 37(a) for information on valuation of steel scrap.



9. Current Financial Assets - Trade Receivables

Particulars	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Trade receivables		
Unsecured, considered good	52,236.78	90,501.86
Credit Impaired / Considered doubtful		
	52,236.78	90,501.86
Less : Provision for credit impaired / doubtful debts	-	-
Total	52,236.78	90,501.86

- a) Amount recoverable from related parties are disclosed in Note No. 37 (h).
- b) Electricity (Late Payment Surcharge and Related Matters) Rules, 2022 notified on 3 June 2022, provides that the outstanding dues of the beneficiaries including late payment surcharge (LPSC) up to the date of the said notification shall be rescheduled up to a maximum period of 46 months in the manner prescribed in the said Rules and no LPSC shall be charged on the outstanding dues from the date of notification subject to application to be made by the beneficiaries in this regard. Pursuant to the above, two beneficiaries have applied for redetermination of their payment of dues under these Rules. The dues of such beneficiaries have been presented at their fair value under Current receivables Rs. 1867.43 lakh (net of discounting of Rs.155.51 lakh) reported above considering the requirements of applicable Indian Accounting Standards.
- c) Trade receivables include unbilled revenue for the month of March 2024 amounting to Rs 39744.57 lakh (31 March 2023: Rs. 38897.96 lakh) billed, net of advance, to the beneficiaries after 31 March.
- d) Refer note-21 for information on receivable hypothecated as security by the company.
- e) Ageing of trade receivables as at 31st March 2024 :

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment						Total
			Less than 6 Months	6 Months- 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Years		
(i) Undisputed Trade receivables - considered good	37,610.56	10,372.20	4,220.11	33.90	-	-	-	52,236.78	
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-	
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	-	
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-	
Total	37610.56	10372.20	4220.11	33.90	0.00	0.00	0.00	52236.78	

- f) Ageing of trade receivables as at 31st March 2023 :

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment						Total
			Less than 6 Months	6 Months- 1 Year	1 - 2 Year	2 - 3 Year	More than 3 Years		
(i) Undisputed Trade receivables - considered good	36,953.69	36,593.03	1,375.35	5,553.20	10,026.59	-	-	90501.86	
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-	
(iv) Disputed Trade Receivables-considered good	-	-	-	-	-	-	-	-	
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-	
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-	-	
Total	36953.69	36593.03	1,375.35	5,553.20	10,026.59	0.00	0.00	90501.86	



10. Current Financial Assets : Cash and Cash Equivalents

Amount in ₹ lakh

Particulars	As at 31.03.2024	As at 31.03.2023
Cash & cash equivalents		
Balances with banks		
- Current accounts	10,454.44	4,909.96
- Cheque and Draft on hand	-	21.00
- Deposits with original maturity of less than three months (including interest accrued)	13,204.01	446.22
	23,658.45	5,377.18

11. Current Financial Assets :Bank balance other than cash and cash equivalents

Amount in ₹ lakh

Particulars	As at 31.03.2024	As at 31.03.2023
Balances with banks		
Deposits with original maturity of more than three months and maturing with in one year (including interest accrued).	7,405.22	2,749.73
Earmarked balances with bank*	12.57	2,061.28
Total	7,417.79	4,811.01

* a. Earmarked balances with bank towards:

Fly Ash utilisation reserve	12.57	505.78
Share Application money	0.00	1555.50
Total	12.57	2,061.28

b. Deposit includes

Lien for margin against Letter of Credit and Bank Guarantee	915.57	505.78
Earmarked towards Debt Servicing Repayment Obligation	3199.57	0.00
Earmarked towards Fly Ash Utilisation Reserve	3242.44	1462.00
Total	7,357.58	1,967.78

12. Other financial assets

Amount in ₹ lakh

Particulars	As at	As at
	31.03.2024	31.03.2023
Considered good unless otherwise stated		
Other financial assets		
Unsecured	461.79	965.86
Loans to employee - Unsecured	5.72	-
Total	467.51	965.86

- a) Other financial assets include amount recoverable from contractors and other parties towards hire charges, rent/electricity, etc.



13. Other current assets

Particulars	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Advances		
Employees		
Unsecured, Considered Good	0.07	1.50
Contractors & suppliers		
Unsecured, Considered Good	13,070.50	16,483.71
Claim recoverable		
Unsecured, Considered Good	2,130.75	2,258.73
Deferred payroll expenditure	0.53	-
Others		
Unsecured, Considered Good	109.68	102.47
Total	15,311.53	18,846.41

- a) Advances to contractor & suppliers includes amount recoverable from related parties. Refer Note No. 37(h)
- b) Other current assets - others, include prepaid expenses.
- c) Claims recoverable include claims amounting to Rs 455.50 lakh (31 March 2023 Rs. 455.50 lakh) made against coal companies in accordance with the fuel supply agreements mainly towards grade slippages. Claims recoverable also include claims against Railways Rs 1675.25 lakh (31 March 2023: Rs. 1803.23 lakh) mainly towards diversion of coal rakes. These are regularly reviewed and reconciled with the Coal companies and Indian Railways periodically.

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14. Current Tax Assets

Amount in ₹ lakh

Particulars	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Advance tax, tax deducted at source	483.50	351.19
Less : Provision for income tax	-	-
Total	483.50	351.19



15. Deferred Expenses

Amount in ₹ lakh

Particulars	As at 31.03.2024	As at 31.03.2023
On Account of		
Expenses from foreign currency fluctuation	9,405.90	5,213.85
Total	9,405.90	5,213.85

- a) Foreign exchange rate variation (FERV) on foreign currency loans and interest thereon is recoverable from/payable to the customers in line with the Tariff Regulations. Keeping in view the opinion of the EAC of ICAI, the Company is recognizing deferred foreign currency fluctuation liability by corresponding debit to deferred expenses from foreign currency fluctuation in respect of the FERV on foreign currency loans adjusted in the cost of property, plant and equipment. Deferred expenditure from foreign currency fluctuation account is amortized in the proportion in which depreciation is charged on such exchange differences and same is adjusted against depreciation expense in future years as provided in accounting policy no. C.10.1 (Note 1). This amount will be recognized as expenditure corresponding to the reduction in depreciation charge in future years. The amount does not constitute an assets to be realised in future periods and hence, it has been disclosed separately.



16. Equity Share capital

Particulars	Amount in ₹ lakh	
	As At 31.03.2024	As At 31.03.2023
Equity share capital		
Authorised		
400,00,00,000 equity shares of par value of Rs. 10/- each (400,00,00,000 equity shares of par value of Rs. 10/- each as at 31 March 2023)	4,00,000.00	4,00,000.00
Issued, subscribed and fully paid-up		
365,26,69,600 equity shares of par value of Rs. 10/- each (31 March 2023 : 356,88,19,600 equity shares of par value of Rs. 10/- each)	3,65,266.96	3,56,881.96

- a) The Company has only one class of equity shares having a par value of Rs. 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.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the shareholders.

b) Reconciliation of Share Capital

Particulars	As At 31.03.2024		As At 31.03.2023	
	No.	Amount in ₹ lakh	No.	Amount in ₹ lakh
Outstanding at the beginning of the year	3,56,88,19,600	356881.96	3,49,99,99,600	349999.96
Shares issued during the year	8,38,50,000	8385.00	6,88,20,000	6882.00
Outstanding at the end of the year	3,65,26,69,600	3,65,266.96	3,56,88,19,600	3,56,881.96

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

Particulars	As At 31.03.2024		As At 31.03.2023	
	No. of shares	% age holding	No. of shares	% age holding
-NTPC LTD	1,82,63,34,800	50%	1,78,44,09,800	50%
-UPRVUNL	1,82,63,34,800	50%	1,78,44,09,800	50%

d) Detail of Shareholding of Promoters in the Company

Promoters name	As At 31.03.2024		Changed during the year
	No. of shares	% age holding	In %
-NTPC LTD	1,82,63,34,800	50%	Nil
-UPRVUNL	1,82,63,34,800	50%	Nil

End use of Equity Capital raised

- c) The company has used the funds raised through issue of the equity share capital for the specific purpose for which it was taken.

- f) Dividends:

Particulars	Paid during the year ended	
	31.03.2024	31.03.2023
(i) Dividend paid and recognised during the year		
- Final Dividend for the year ended 31 March 2023 Rs. Nil (31 March 2022 Rs. Nil) per equity share	-	-
- Interim Dividend for the year ended 31 March 2024 Rs Nil (31 March 2023 Rs. Nil) per equity share	-	-
(ii) Dividend not recognised at the end of the reporting period		
The directors have recommended the payment of final dividend amounting to Rs 0.28 (31 March 2023: Rs. Nil) per equity share. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting	10227.47	0.00



17. Other equity

Particulars	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Fly Ash utilisation reserve fund	3255.01	1967.78
Retained earnings	19,368.01	(15,436.04)
Share application money	-	1,555.50
Closing balance	22,623.02	(11,912.76)

(a) Fly Ash utilisation reserve fund*

Opening Balance	1,967.78	1,208.13
Add: Transferred during the year	1,655.78	1,212.67
Add: Other Income : Interest	198.14	6.01
Less: Utilised during the year*	566.69	459.03
Closing balance	3,255.01	1,967.78

(b) Retained earnings

Opening balance	(15,436.04)	(24,023.35)
Add: Profit for the year as per Statement of Profit and Loss	34,806.30	8,586.95
Item of Other comprehensive income recognised directly in retained earning		
-Net actuarial gain (loss) on defined benefit plan (net of tax)	(2.25)	0.36
Closing balance	19,368.01	(15,436.04)

Retained Earnings are the profits of the Company earned till date net of appropriations. The same will be utilised for the purposes as per the provisions of the Companies Act, 2013.

(c) Share Application Money Pending Allotment

Opening Balance	1,555.50	3,441.00
Add: Received during the Year	6,829.50	4,996.50
Less: Shares Allotted during the year	8385.00	6882.00
Closing balance	-	1,555.50

Share application money pending allotment has been received from

NTPC LTD	0.00	749.00
UPRVUNL	0.00	806.50
	-	1,555.50

(a) *Pursuant to Gazette Notification dated 3 November 2009, issued by the Ministry of Environment and Forest (MOEF), Government of India (GOI), the amount collected from sale of fly ash and fly ash based products should be kept in a separate account head and shall be utilised only for the development of infrastructure or facility, promotion & facilitation activities for use of fly ash until 100 percent fly ash utilisation level is achieved, accordingly Rs 566.69 lakh (31st March 2023: 459.03 lakh) towards expenses attributable for Fly Ash utilisation are adjusted from the revenue earned on account of sale of Fly Ash.

(b) The principal Gazette Notification dated 14th September 1999, has been superseded by Gazette Notification dated 31st December 2021, of Ministry of Environment and Forest and Climate Change (MOEF&CC), GOI which is applicable from 1st April 2022. The notification dated 31 December 2021 does not mention any requirement of keeping the amount thus collected in a separate account. However, the Company continues to spend the amounts collected after 25.01.2016, from sale of fly ash and fly ash-based products for offsetting it against the expenditure incurred for transportation of ash to various road construction projects by respective Station

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18. Non-current Financial Liabilities - Borrowings

Particulars	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Term loans		
Secured		
From Banks		
Foreign currency loans	56,675.44	70,686.31
Rupee loans	67,241.93	59,304.20
From financial institutions		
Rupee loans	5,19,736.17	5,70,766.79
Unsecured		
From Banks		
Rupee loans	9,862.55	24,999.96
	6,53,516.09	7,25,757.26
Less: Current Maturity of term loan		
Foreign currency loans- Secured	7,795.62	8,548.92
Rupee loans- Secured	50,333.32	50,333.32
Rupee loans- Unsecured	9,862.55	-
Less: Interest accrued but not due on borrowings		
Foreign currency loans	21.58	26.73
Rupee loans	2,109.51	9,086.79
Total	5,83,393.51	6,57,761.50

End use of borrowings

- i The company has used the borrowings raised from banks and financial institutions for the specific purpose for which it was taken.

Details of Terms of repayment and rate of interest :

- ii Secured foreign currency term loan carry fixed interest rate ranging from 3.00 % to 5.17% and floating interest (presently it is 7.80%) linked to JBIC Base Rate + SBI Margin+ Credit Adjustment Spread+Secured Overnight financing rate, with half yearly rests. The loan is repayable in twenty four half yearly instalments commencing from Sept. 2020.
- iii Secured rupee term loan from Banks carry interest rate presently it is 8.20% p.a. with monthly rest, interest is linked with 1-months MCLR with monthly reset. The term loan for cost overrun is repayable in 60 quarterly instalments commencing from March 2021 and term loan for FGD is repayable in 60 quarterly instalment commencing from 31st March 2022.
- iv Secured rupee term loan from Financial Institution carry interest rate presently it is 8.75% p.a. with monthly rest, interest is linked with category of Central/ State PSU/JV's generation projects having reset period of one year. The loan is repayable in 60 quarterly instalments commencing from Jan 2021.
- v Unsecured short term corporate loan availed for working capital requirement carry floating rate linked with overnight MCLR presently at 8.15% with monthly reset, bullet repayment at the end of two year.
- vi There has been no default in repayment of the loan or interest thereon as at the end of the year. (FY 2022-23 - Nil).

Details of Security :

- vii Foreign Currency and Rupee Term Loan from Bank & Financial Institution are secured first pari-passu basis, by way of equitable mortgage deposit of the title deeds of the immovable properties and hypothecation deed of all present and future movable fixed assets of the Company.



19. Non-current Liabilities - Other Financial liabilities

Amount in ₹ lakh

Particulars	As at	As at
	31.03.2024	31.03.2023
Payable for capital expenditure		
-micro and small enterprises	3.47	23.95
-Other than micro and small enterprises	39.83	56.54
Other payable	91.90	32.72
Total	135.20	113.21

- a) Amounts payable to related parties are disclosed in Note 37 (h)
b) Disclosures as required under Companies Act, 2013 / MSMED Act, 2006 are provided in Note 40.
c) The above balances are due for payment after 12 months from the balance sheet date.



20. Non-current Liabilities - Provisions

Amount in ₹ lakh

Particulars	As at	As at
	31.03.2024	31.03.2023
Provision for		
Employee Benefits	36.73	10.53
Others	1,650.00	-
Total	1,686.73	10.53

- a. Disclosure as per Ind As -19 'Employee benefit are provided in Note No. 37 (e)
- b. Other provision relates to environment compensation payable for non compliance of disposal of fly ash and bottom ash in accordance to notification of MoEFCC dated 31 Dec 2021.



21. Current Financial Liabilities - Borrowings

Particulars	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Current borrowings		
From Bank		
Secured		
Working Capital Loan	46,534.23	41,623.29
Unsecured		
Rupee working capital term loan	0.00	25,000.00
	46534.23	66623.29
Current maturities of non-current borrowings		
Foreign currency loans- Secured	7,795.62	8,548.92
Rupee loans- Secured	50,333.32	50,333.32
Rupee loans- Unsecured	9,862.55	-
	1,14,525.72	1,25,505.53

Total

- a) Working Capital loan consist of cash credit and WCDL secured first pari-passe basis by hypothecation on entire current asset, stock of raw materials, stock in process, finished goods and book debts of the company. Cash Credit facility carries floating rate of interest linked to the bank's Overnight MCLR and one month MCLR with monthly reset, at rate 8.20% and WCDL interest linked to 91 days TBLLR decided at the time of availment, presently at rate 7.50%.
- b) There has been no default in repayment of the loan or interest thereon as at the end of the year.
- c) Details in respect of rate of interest and terms of repayment of current maturities of secured & unsecured term borrowings indicated above are disclosed in Note 18.
- d) The company has used the borrowings raised from banks for the specific purpose for which it was taken.



22. Current Financial Liabilities - Trade payables

Particulars	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Trade Payable for goods and services		
Total outstanding dues of		
-micro and small enterprises	397.58	290.55
-Other than micro and small enterprises	9,780.71	23,014.96
Total	10,178.29	23,305.51

a) Amounts payable to related parties are disclosed in Note - 37 (h).

b) Disclosures as required under Companies Act 2013/MSMED Act, 2006 are provided in Note 40.

c) Trade Payables ageing schedule based on transaction date as at 31 March 2024

Amount in ₹ lakh

Particulars	Unbilled Dues	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3	Total
(i) MSME	344.55	53.03	-	-	-	397.58
(ii) Others	5,414.92	3,783.84	49.34	263.73	268.88	9,780.71
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	5,759.47	3,836.87	49.34	263.73	268.88	10,178.29

d) Trade Payables ageing schedule based on transaction date as at 31 March 2023

Amount in ₹ lakh

Particulars	Unbilled Dues	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3	Total
(i) MSME	107.71	182.85	-	-	-	290.55
(ii) Others	3,890.39	13,856.61	4,739.80	337.18	190.98	23,014.95
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-
Total	3,998.10	14,039.45	4,739.80	337.18	190.98	23,305.51



23. Current Liabilities - Other Financial liabilities

Amount in ₹ lakh

Particulars	As at	As at
	31.03.2024	31.03.2023
Interest accrued but not due on borrowings		
Foreign currency loans	21.58	26.73
Rupee loans	2,109.51	9,086.79
Payable for capital expenditure		
-micro and small enterprises	97.11	290.70
-Other than micro and small enterprises	47,928.62	59,053.00
Other payables		
Deposits from contractors and others	972.69	849.76
Security deposit from Customer	118.52	197.04
Payable to NTPC Ltd (Joint venturer)	920.82	711.37
Payable to employees	1,671.06	1,720.25
Others	316.91	1.94
Total	54,156.82	71,937.58

- a) Disclosures as required under Companies Act/MSMED Act, 2006 are provided in Note 40.
- b) Deposits from contractors and others include Rs 31.84 Lakh (31 March 2023: Rs. 8.96 lakh) payable to MSME vendors as per contract terms.
- c) Other payables - Others includes Rs Nil (31st March 2023 : Rs. 1.94 lakh) amount payable to parties towards stale cheques etc.



24. Current Liabilities - Other current liabilities

Amount in ₹ lakh

Particulars	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Tax deducted at source and other statutory dues	345.68	854.85
Advance from customers	1,892.73	2,027.68
Total	2,238.41	2,882.53



25. Current Liabilities - Provisions

Amount in ₹ lakh

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for		
Obligations incidental to land acquisition	1,100.74	1,531.67
Employee Benefits	1.33	7.40
Shortages	-	0.31
Corporate Social Responsibilities	130.55	-
Total	1,232.62	1,539.38

- a) Disclosure required by Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' is made in Note- 37 (k)
b) Disclosure as per Ind As -19 'Employee benefit are given in Note No. 37 (e)

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26. Regulatory deferral account credit balances

Particulars	Amount in ₹ lakh	
	As at 31.03.2024	As at 31.03.2023
Regulatory deferral a/c Balances - Exchange differences (Post COD)	3,236.71	1,958.89
Exchange Difference on Foreign currency loan & other monetary items Pre-COD	(1,394.51)	(1,604.53)
Deferred Foreign Currency Fluctuation Liabilities	7,860.12	4,417.74
Deferred Tax	(3,995.28)	8,478.04
Total	5,707.04	13,250.14

- a) Regulatory deferral account balances have been accounted in line with Accounting policy no. C.4. of Note 1. Refer Note 37 (m) for detailed disclosures.
- b) CERC Tariff Regulations, 2019 provide for grossing-up the rate of return on equity based on effective tax rate for the financial year based on the actual tax paid during the year on the generation income. Accordingly, deferred tax liability for the period from 1st April 2019 will be reversed in future years when the related DTL forms part of current tax. Keeping in view the above, the Company has recognized such deferred tax as regulatory deferral account debit balances, since the amounts are recoverable in future years.



27. Revenue from Operation

	Amount in ₹ lakh	
For the year ended on	31.03.2024	31.03.2023
Energy Sale		
Energy Sale	4,24,018.65	3,79,741.62
Other		
Sale of fly Ash / Ash product	1,655.78	1,212.67
Less : Transfer in fly ash utilisation reserve Note -17	1,655.78	1,212.67
	0.00	0.00
Other Operating Revenue		
Energy Internally consumed	169.40	155.97
	4,24,188.05	3,79,897.59
Less: Transferred to expenditure during construction period (net) - Note 34	-	-
Total	4,24,188.05	3,79,897.59

- a) The commercial operation date (COD) of Unit #1 and Unit #2 declared on 30th April 2019 and 31st Jan 2021 respectively . The Company has filled the tariff petition under Tariff Regulations, 2019 (Regulations, 2019) notified by CERC however CERC yet not issued final tariff order therefore beneficiaries are provisionally billed in accordance with the principles given in the CERC Regulations, 2019.
- b) Energy sales are net of rebate Rs 2892.16 lakh (FY 2022-23 : Rs.1271.73 lakh) to beneficiary.
- c) Energy internally consumed valued at variable cost of generation and corresponding amount of Rs 169.40 lakh (FY 2022-23 Rs.155.97 lakh) included in power charges in Note-33.
- d) Revenue from operations for the year include Rs 53.79 lakh (31 March 2023: Rs. 3763.43 lakh) on account of sale of regulated energy through power exchange (gross). A sum of Rs Nil (31st March 2023 Rs. 1559.54 lakh) has been netted off consequent to sharing of revenue with beneficiary in terms of PPA arrangement.



28. Other income

Amount in ₹ lakh

For the year ended on	31.03.2024	31.03.2023
Interest from		
Advances to contractors	9.92	0.22
Deposit with Bank	1,053.44	109.95
Income Tax Refund	16.55	17.54
Other non-operating income		
Late Payment surcharge from beneficiary	187.42	1,198.40
Hire Charges for equipments	8.93	9.27
Profit on disposal of Property, Plant & Equipment	0.70	0.10
Sale of Tender (Net)	1.84	1.31
Unwinding of discount on receivables accounted at fair value	407.25	1,742.94
Net foreign exchange gain / (loss)	1,812.18	-
Miscellaneous income	466.24	858.07
Excess Liability written back	376.83	12.13
	4,341.30	3,949.93
Less: Transferred to expenditure during construction period (net) - (Note 34)	0.01	-
Less: Transferred to fly ash utilisation reserve fund (Note-17)	198.14	6.01
Total	4,143.15	3,943.92

- a) Miscellaneous income includes liquidated damages recovered, recoveries from contractors/suppliers, rent recovery, refund of excess insurance premium and recovery for use of vehicle, etc.
- b) Excess liability written back includes liabilities previously recorded in past financial years but reversed in the current period because they are no longer required to be settled. (Refer Note 41 (f))



29. Fuel Cost

For the year ended on	Amount in ₹ lakh	
	31.03.2024	31.03.2023
Coal	2,53,515.35	2,35,761.57
Oil	2,619.95	3,548.06
	<hr/>	<hr/>
	2,56,135.30	2,39,309.63
Less: Transferred to expenditure during construction period (Net)- (Note 34)	-	-
Total	<hr/> 2,56,135.30 <hr/>	<hr/> 2,39,309.63 <hr/>



30. Employee benefits expense

	Amount in ₹ lakh	
For the year ended on	31.03.2024	31.03.2023
Salaries and wages	7,140.58	8,488.67
Contribution to provident and other funds	1,578.72	1,614.77
Staff welfare expenses	1,014.74	1,023.77
Amortization Expense- Employee Discounting	0.26	-
	9,734.30	11,127.21
Less:		
Allocated to fuel inventory	800.97	984.88
Transferred to expenditure during construction period (Net)- (Note 34)	72.86	111.19
Transferred to fly ash utilisation reserve fund (Note-17)	-	99.39
Total	8,860.47	9,931.75

a) In accordance with Accounting Policy no. C.11 (Note 1), The employees of the Company are on secondment from the promoter company - NTPC Limited. Accordingly, these employee benefits are treated as defined contribution schemes.

b) Disclosure as per Ind as 19 "employee benefit" in respect of provision made towards various employee benefits are provided in note no. 37(e) (ii)



31. Finance costs

	Amount in ₹ lakh	
For the year ended on	31.03.2024	31.03.2023
Finance charges on financial liabilities measured at amortised cost		
Foreign currency term loans	2,187.65	2,507.87
Rupee term loans	49,312.31	50,181.36
Cash Credit	4,958.17	5,158.91
Unwinding of discount on vendor liabilities	17.81	198.28
	<u>56,475.94</u>	<u>58,046.42</u>
Less: Transferred to expenditure during construction period (Net) - Note 34	1724.57	1845.00
Total	<u><u>54,751.37</u></u>	<u><u>56,201.42</u></u>

32. Depreciation and amortization- expenses

	Amount in ₹ lakh	
For the year ended on	31.03.2024	31.03.2023
On property, plant & equipment - Note -2	61,154.88	60,003.56
On intangible assets - Note -4	318.43	304.00
	<u>61,473.31</u>	<u>60,307.56</u>
Add		
Adjustment with deferred expenditure from foreign currency fluctuation	347.10	472.69
Less:		
Allocated to inventory	8,387.09	8,183.87
Total	<u><u>53,433.32</u></u>	<u><u>52,596.38</u></u>

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33. Other expenses

For the year ended on	Amount in ₹ lakh	
	31.03.2024	31.03.2023
Power charges	271.06	290.99
Less: Recovered from contractors & employees	39.59	106.99
Water charges	231.47	184.00
	235.55	209.81
Repairs & maintenance		
Buildings	682.16	872.02
Plant & machinery	8,897.28	9,719.40
Others	1,487.30	1,396.74
Insurance	1,380.34	1,294.67
Rates and taxes	123.79	61.92
Training and Recruitment expenses	4.35	6.28
Professional Charges & Consultancy fee	394.25	124.98
Communication expenses	169.89	139.48
Travelling expenses	392.41	352.20
Remuneration to auditors (refer details below)	5.13	7.00
Advertisement and publicity	17.83	13.17
Security expenses	2,291.77	2,509.86
Entertainment Expenses	115.10	128.52
Expenses for guest house	148.23	132.71
Less: Recoveries	18.59	12.59
Education Expenses	129.64	120.12
	15.17	24.86
Ash Utilisation & Marketing Expenses	610.62	359.64
Books and periodicals	0.80	0.82
Legal expenses	89.03	79.64
EDP hire and other charges	507.02	683.04
Printing and stationery	17.29	17.42
Net loss/Gain in Foreign currency transaction and translation	-	501.15
Loss on fair valuation of trade receivables	-	2,333.33
Hiring of vehicles	352.02	363.78
Bank charges	17.66	6.98
Corporate Social Responsibility (CSR) expenses- Refer Note 42(k)	288.56	-
Horticulture Expenses	75.08	107.21
Transport vehicle running expenses	22.90	12.43
Loss on Sale of Scrap(Net)	-	11.01
Loss on de-recognition of property, plant and equipment	2,579.03	-
Other Compensation (Refer Note 20 (b))	1,650.00	-
Miscellaneous expenses	283.96	456.84
	23,067.40	22,098.32
Less:		
Allocated to fuel inventory	2,440.97	2,905.61
Transferred to expenditure during construction period (Net) - Note 34	107.11	153.48
Transferred to fly ash utilisation reserve fund Note-17	566.69	359.64
	19,952.63	18,679.59
Provision for		
Shortages	-	0.31
Total	19952.63	18679.90

* Net income from sale of tender hence disclosed in Other Income in - Note -28

a) Details in respect of remuneration to auditors:

As auditor	31.03.2024	31.03.2023
Audit fee	3.95	3.72
Tax Audit Fees	1.18	1.18
Certification fees	0.00	1.32
Reimbursement of expenses	0.00	0.78
	5.13	7.00

1. Cost allocated to Fuel Cost includes:

a) The repairs and maintenance - plant & machineries expenses Rs 2401.33 lakh (31st March 2023 Rs. 2872.16 lakh),

b) The insurance expenses of Rs 39.64 lakh (31st March 2023 Rs. 33.45 lakh).

2. Miscellaneous expenses includes expenses related to power trading Rs. 5.15 Lakh and brokerage expenses of Rs 0.30 lakh (31st March 2023 - Rs. 60.18 Lakh)



34. Expenditure during construction period (net)

Amount in ₹ lakh

For the year ended on	31.03.2024	31.03.2023
A. Employee benefits expense		
Salaries and wages	68.73	103.12
Contribution to provident and other funds	0.14	0.23
Staff welfare expenses	3.99	7.84
Total (A)	72.86	111.19
B. Finance Cost		
Interest of Rupee Term Loan (net)	1,719.29	1,650.27
Unwinding of discount on vendor liabilities	5.28	194.73
Total (B)	1724.57	1845.00
Less: Interest received from banks and others	-	-
	1,724.57	1,845.00
C Depreciation and amortisation	-	-
D. Generation, administration & other expenses		
Power charges	87.22	104.61
Less: Recovered from contractors & employees	-	-
	87.22	104.61
Repairs & maintenance		
Plant and machinery	9.72	0.00
Others	9.24	48.87
	18.96	48.87
Travelling expenses	0.80	-
Miscellaneous expenses	0.13	-
Total (D)	107.11	153.48
Total (A+B+C+D)	1,904.54	2,109.67
E. Less: Other income		
Miscellaneous Income	0.01	-
Total (E)	0.01	-
Grand Total (A+B+C+D-E)*	1,904.53	2,109.67
* Carried to capital work-in-progress - (Note 3)	1904.53	2109.67



35. Net Movement in Regulatory deferral account

Amount in ₹ lakh

For the period / year ended on	31.03.2024	31.03.2023
Net gain/ loss on foreign currency loan translation/transaction	(391.06)	1,464.40
Deferred tax	12,473.32	(7,516.01)
Total	12,082.26	(6,051.61)

- a) Regulatory deferral account balances have been accounted in line with Accounting policy no. C.4. of Note 1. Refer Note 37 (m) for detailed disclosures.



- 36 a) The Company has a system of obtaining periodic confirmation of balances from banks and other parties. There are no unconfirmed balances in respect of bank accounts and borrowings from banks & financial institutions. With regard to receivables for energy sales, the Company sends demand intimations to the beneficiaries with details of amount paid and balance outstanding which can be said to be automatically confirmed on receipt of subsequent payment from such beneficiaries. In addition, reconciliation with beneficiaries and other customers is generally done on quarterly basis. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters with the negative assertion as referred in the Standard on Auditing (SA) 505 (Revised) 'External Confirmations', were sent to the parties. Some of such balances are subject to confirmation/reconciliation. Adjustments, if any will be accounted for on confirmation/reconciliation of the same, which in the opinion of the management will not have a material impact.
- b) In the opinion of the management, the value of assets, other than property, plant and equipment and non-current investments, on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

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

i. Changes in Material Accounting Policy

Steel scrap is being accounted on accrual basis. During the year based on the opinion by EAC (Expert Advisory Committee) of ICAI the steel scrap is not valued. Consequently, material accounting policy C.6 have been modified. Impact on profit due to the above change is not material.

ii. Reclassification and comparative figures:

Certain reclassifications have been made to the comparative period's financial statements to enhance comparability with the current year's financial statements and to ensure compliance with the Guidance Note on Division II - Ind AS Schedule III to the Companies Act, 2013. As a result, certain line items have been reclassified in the balance sheet, statement of profit and loss, and statement of cash flows, the details of which are as under:

Items of balance sheet before and after reclassification

Particulars	Note No	Amount in ₹ lakh		
		Before reclassification (As on 31/03/2023)	Amount of Reclassification	After reclassification
Current Financial Assets - Trade Receivables	9	90,746.08	(244.22)	90,501.86
Other financial assets - Unsecured	12	721.64	244.22	965.86

Items of statement of profit and loss before and after reclassification

Particulars	Note No	Amount in ₹ lakh		
		Before reclassification (As on 31/03/2023)	Amount of Reclassification	After reclassification
Revenue from operation	27	3,80,981.37	1,083.78	3,82,065.15
Net Movement in Regulatory deferral account	35	(7,135.39)	(1,083.78)	(8,219.17)
EPS- Basic (Rs.) (from operations excluding net movement in regulatory deferral account balances)	37(i)	0.44	(0.03)	0.41
EPS-Diluted (Rs.) (from operations excluding net movement in regulatory deferral account balances)	37(i)	0.44	(0.03)	0.41

Items of statement of cash flows before and after reclassification

Particulars	Amount in ₹ lakh		
	Before reclassification (As on 31/03/2023)	Amount of Reclassification	After reclassification
Profit (Loss) before tax and regulatory deferral account balances	8,206.21	1,083.78	9,289.99
Net Movement in Regulatory Deferral account	(7,135.39)	(1,083.78)	(8,219.17)

iii. Reason of major reclassification:

- a. Amount of Rs. 1083.78 lakh taken to net movement in regulatory deferral account as a result revenue from operation increased by 1083.78 and Net Movement in Regulatory deferral account decreased.
- b. Amount of Rs. 1083.78 lakh considered in Net Movement in Regulatory deferrals on account of which EPS-Basic & EPS-Diluted (from operations excluding net movement in regulatory deferral account balances) decreased.

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

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

Particulars	Amount in ₹ lakh	
	For the year ended 31st March 2024	For the year ended 31st March 2023
Fuel Cost (Note-29)	2,56,135.30	2,39,309.63
Others (Included in Note -33)	5,390.54	4,406.52
Total	2,61,525.84	2,43,716.15

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

ii. Carrying amount of inventories hypothecated as security for borrowings as at 31 March 2024 is Rs 45157.45 lakh (31 March 2023: Rs.43841.59 lakh)

- 37 c) Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

37 d) Disclosure as per Ind-AS-12 Income tax Expenses

A. Income Tax Expenses

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

Amount in ₹ lakh



Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Current Tax Expenses		
Current Year	-	-
Adjustment for earlier years	-	-
Total	-	-
Deferred Tax Expenses		
Obligation and reversal of temporary differences	12,474.07	(7,516.13)
Total Deferred Tax expenses	12,474.07	(7,516.13)

ii Income tax recognised in other comprehensive income

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Net actuarial gain on defined benefit plan		
Before Tax	(3.00)	0.48
Tax Expenses	0.75	(0.12)
Net of Tax	(2.25)	0.36

iii Reconciliation of Tax expenses and accounting profit multiplied by India's domestic tax rate

Particulars	For the year ended 31st March 2024	For the year ended 31st March 2023
Profit before tax	35,198.11	7,122.43
Net Movement in Regulatory Deferral account	12,082.26	(6,051.61)
Profit before tax including movement in regulatory deferral account balances	47,280.37	1,070.82
Tax using the applicable tax rate of 25.168%	11,899.52	269.50
Tax effect of:		
Non deductible tax expenses	204.81	158.60
Deferred tax assets (recognised) derecognised on business losses	(7.91)	(8,132.97)
Tax on net movement of regulatory deferral account balances	-	-
Tax on Fly Ash Income (net)	323.97	191.19
Other	53.68	(2.45)
Total Tax recognised in statement of profit & loss	12,474.07	(7,516.13)

B. Deferred Tax Liabilities (Net)

i Movement in deferred tax Balances

Particulars	For the year ended 31st March 2023	Recognised in statement of profit and loss for the year	Recognised in OCI	For the year ended 31st March 2024
Deferred Tax Assets				
Trade receivables	148.59	(102.50)	-	46.09
Leave encashment	4.51	4.43	-	8.94
Carry forwarded business losses	1,14,275.92	(3,745.93)	0.75	1,10,530.74
Environmental Compensation	-	415.27	-	415.27
Less :	-	-	-	-
Deferred Tax Liability				
Difference in book depreciation and tax depreciation	(1,05,950.98)	(9,045.34)	-	(1,14,996.32)
Net Deferred Tax assets (liabilities)	8,478.04	(12,474.07)	0.75	(3,995.28)

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

Particulars	For the year ended 31st March 2022	Recognised in statement of profit and loss for the year	Recognised in OCI	For the year ended 31st March 2023
Deferred Tax Assets				
Trade receivables	-	148.59	-	148.59
Leave encashment	3.76	0.75	-	4.51
Carry forwarded business losses	88,990.02	25,286.02	(0.12)	1,14,275.92
Less :	-	-	-	-
Deferred Tax Liability				
Difference in book depreciation and tax depreciation	(88,031.75)	(17,919.23)	-	(1,05,950.98)
Net Deferred Tax assets (liabilities)	962.03	7,516.13	(0.12)	8,478.04



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

i. **Employee on secondment from Parent Co. (NTPC Limited)**

a. **Defined Contribution plans**

In accordance with Accounting Policy no. C.11 Note 1, where employees are on secondment from the NTPC Limited (Joint Venture Partner), related employee cost is reimbursed and accordingly an amount of Rs 1248.83 Lakh (31 March 2023: Rs.1274.26 lakh) towards provident fund, gratuity, post retirement medical facilities, and other terminal benefits, and Rs 325.47 Lakh (31 March 2023: Rs.340.32 lakh) towards leave and other benefits is paid/payable to the Promoter Company, and are included under 'Employee benefit Expenses' (Note-30).

ii. **Employee of Company**

a. **Defined Contribution Plan**

The Company deposit contribution for provident fund administered by Government of India. During the year an amount of Rs 23.01 lakh (31st March 23 Rs. 17.45 lakh) is contributed to provident fund recognised as Employee benefit Expenses.

b. **Defined Contribution Plan - Gratuity**

The Company has a defined Gratuity Plan, every employee who has rendered continuous service of 5 year or more is entitled to Gratuity at 15 days salary for each completed year of service, subject to maximum Rs. 20.00 lakh on superannuation, resignation, termination, disablement or on death, considering the provisions of the Payment of Gratuity Act 1972 (As amended).

The Company contribute towards Gratuity liability to insurer and related cost has been charged to Employee Benefits of Rs 2.52 lakh (31st March 2023 Rs. 4.32 lakh). During the year actuarial valuation of the gratuity liability has been carried out, the following table set out the status of the gratuity plan and amount recognised in the Company's financial statement as at balance sheet date.

i. **Defined Benefit liability**

Particulars	Amount in ₹ lakh	
	As at 31st March 2024	As at 31st March 2023
ii. Present Value of Obligation as per Actuary		
Current Service Cost	12.99	5.04
Past Service Cost	4.43	2.60
Total Service Cost	8.56	2.44
	12.99	5.04
iii. Fair Value of Plan Assets - As per Group Gratuity Scheme of LIC		
Fair Value of Plan Assets - GGS Fund	5.04	2.69
Employers Contribution during the year under GGS	2.52	4.32
Benefit paid	-	-
Return on Plan Assets (GGS net of premium)	2.89	0.22
Closing Balance Plan Assets - GGS Fund	10.45	7.23
Note : Plan assets represents Fund managed by Insurer - 100%		
iv. Amount recognised in Profit or loss for the year	2.52	4.32
v. Amount recognised in Other Comprehensive Income / (Expenses)		
Remeasurement (loss) Gain arising from		
Financial Assumption	-	-
Demographic Assumption	-	-
Experience Adjustment	(3.16)	0.46
Return on plan assets excluding interest income	0.16	0.02
Total amount recognised in Other Comprehensive Income / (Expenses)	(3.00)	0.48
vi. Actuarial Assumption		
Discount Rate	7.10%	7.40%
Salary Escalation Rate	6.50%	6.50%
Retirement Age	60	60
Mortality Rate	100% of IALM (2012-14)	100% of IALM (2012-14)
Withdrawal Rate		
- Up to 30 Years	3.00	3.00
-31 to 44 Years	2.00	2.00
-Above 44 Years	1.00	1.00

The principal assumption are the discount rate and salary escalation rate, the discount rate is based upon the market yield available on Government bonds at the discounting date relevant to currency of the benefit payment for a term that matches the liabilities. Salary escalation rate is Company's long term best estimates as to salary increases and takes account of inflation, seniority, promotion, business plan, HR policy and relevant factors on long term basis as provided in relevant accounting standard. Further attrition rates are the Company's best estimates of employees turnover in future considering the factors such as nature of business and industry, retention policy, demand and supply in employment market, standing of the Company, business plan, HR policy etc. as provided in the relevant accounting standard.

vii. **Sensitivity Analysis**

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumption constant.

As at 31st March 2024	Amount in ₹ lakh	
	Increase	Decrease
Discount Rate (0.50% movement)	(1.36)	1.57
Salary escalation rate (0.50% movement)	1.57	(1.38)
As at 31st March 2023		
Discount Rate (0.50% movement)	(0.54)	0.62
Salary escalation rate (0.50% movement)	0.62	(0.54)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these are not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.



viii **Risk Exposure**

Salary Increases: Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuation will also increase the liability.

Investment Risk: Assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Discount Rate: Reduction in discount rate in subsequent valuation can increase the plan's liability.

Mortality & disability: Actual deaths & disability cases proving lower or higher than assumed in the valuations can impact the liabilities.

Withdrawals: Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

ix **Expected Maturity analysis of the Gratuity benefit is as follow**

Particulars	As at	
	31st March 2024	31st March 2023
Less than 1 year	0.01	0.01
Between 1-2 years	0.07	-
Between 2-5 years	0.89	0.23
Over 5 years	12.02	4.80
Total	12.99	5.04

Expected contributions to post-employment benefits plans for the year ending 31st march 2025 will be Rs. 5.22 lakhs (For 31st March 2024 Rs 3.35 Lakh).

c **Other long term employee benefit plan**

Compensate leave

The company provides for the earned leave benefit which accrues at 15 days per year and half pay leave which accrue 30 days per year. The earned leaves and half pay leave are encashable while in service or on separation. Total number of leaves that can be accumulated are 300 days for earned leave and 300 days for half pay leave. The scheme is unfunded and liability for the same is recognizes on the basis of actuarial valuation.

A provision of Rs. 12.26 lakhs made for the year have been made on the basis of actuarial valuation at the year end (31 March 2023: Rs. 11.24 lakhs) and debited to the Statement of Profit and Loss.

37 f) **Disclosure as per Ind AS 21 'The Effect of Changes in Foreign Exchange Rates'**

The amount of exchange differences (net) debited to the statement of profit and loss, net of movement in regulatory deferral account balances, is Rs 16.36 lakh (31 March 2023: debited to Statement of profit and loss Rs. 26.30 lakh)

37 g) **Disclosure as per Ind AS 23 'Borrowing Costs**

Borrowing costs capitalised during the year is Rs. 1724.57 lakh (31 March 2023: Rs. 1845.00 lakh).

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37 h) **Disclosure as per Indian Accounting Standard - 24 on 'Related Party Disclosures'**

A. List of Related parties:

i) Jointly Controlled by Government Entities

NTPC Limited and UPRUVN Limited with 50% shareholding of each party

ii) Joint Ventures of Promoters Company (NTPC Limited)

1. Utility Powertech Ltd.

iii) Key Managerial Personnel (KMP):

Shri Shanmuga Sundaram Kothandapani

Chairman wef 01.02.2024

Shri Ramesh Babu Veeravalli

Chairman wef 14.06.2022 to 31.01.2024

Shri Shambhu Nath Tripathi

Non Executive director wef 29.02.2024

Shri Nasaka Shrinivasa Rao

Non Executive director wef 01.04.2024

Shri Nidhi Kumar Narang

Non Executive director wef 18.07.2022

Shri Ashwini Kumar Tripathy

Non Executive director wef 06.12.2023

Shri Sanjay Kumar Dutta

Non Executive director wef 25.07.2022

Shri Mrugank Shekhar Dash Battamishra

Non Executive director wef 18.07.2022 to 06.12.2023

Shri Praveen Saxena

Non Executive director wef 10.10.2022 to 31.12.2023

Shri Mohit Bhargava

Non Executive director wef 22.09.2017 to 29.02.2024

Shri Kedar Ranjan Panda

Chief Executive Officer wef 08.08.2022 to 26.06.2023

Shri Sunil Kumar

Chief Executive Officer wef 03.07.2023 to 29.02.2024

Shri Kamlesh Soni

Chief Executive Officer wef 01.03.2024

Shri Anil Parwal

Chief Financial Officer wef 30.01.2024

Ms. Priyanka Sethi

Company Secretary wef 11.05.2023

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, UPPCL.

B. Transactions with the related parties are as follows:

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

Particulars	Amount in ₹ lakh			
	NTPC Limited and its joint ventures		UPRVUNL	
	2023-24	2022-23	2023-24	2022-23
i) Issue of shares	4,192.50	3,441.00	4,192.50	3,441.00
ii) Application money Pending for allotment	-	749.00	-	806.50
iii) Contracts for works/services received by the Company for consultancy	371.73	476.11	-	-
iv) Employees deputed on secondment basis	1,574.30	1,614.57	-	-
v) Manpower services	-	-	-	-

II) Compensation to Key Managerial Personnel

Particulars	Amount in ₹ lakh	
	2023-24	2022-23
- Short term employee benefits	175.76	93.76
- Post employment benefits	51.92	0.00
- Other long term benefits	9.23	12.41
Total Compensation to Key Managerial Personnel	236.91	106.17

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

Name of the Company	TYPE	Nature of	Amount in ₹ lakh	
			2023-24	2022-23
RITES LTD	GOI PSU	Capital work	174.91	551.50
BHARAT HEAVY ELECTRICALS LTD	GOI PSU	Capital work	140.37	91.48
STEEL AUTHORITY OF INDIA LTD	GOI PSU	Supply of Steel	770.90	1,343.86
HINDUSTAN PETROLEUM CORPORATION LTD	GOI PSU	Supply of HSD	505.61	424.72
POWERGRID CORPORATION OF INDIA LTD	GOI PSU	Capital work	19.82	33.03
BRIDGE & ROOF CO LTD	GOI PSU	Capital work	-	8.32
INDIAN OIL CORPORATION LIMITED	GOI PSU	Supply of LDO	3,199.96	3,844.90
BEML LIMITED	GOI PSU	Supply	265.04	56.04
EASTERN COALFIELDS LIMITED	GOI PSU	Supply of Coal	3,640.25	-
UTILITY POWERTECH LIMITED	JV of NTPC	Services	1,624.64	2,722.05
UTTAR PRADESH POWER CORPORATION LIMITED	UP GOV ENTITY	Sale of Power	3,36,792.44	3,06,671.69
CENTRAL COALFIELDS LIMITED	GOI PSU	Supply of Coal	99,296.92	42,344.33
NORTHERN COALFIELD LIMITED	GOI PSU	Supply of Coal	50,431.32	60,420.16
BHARAT COKING COAL LTD	JV of Coal India	Supply of Coal	53,624.33	15,284.29

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

Particulars	Amount in ₹ lakh		
	31 March 2024	31-March 2023	
UPPCL	For Sale of Power	33,920.35	69,978.91

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

Amount in ₹ lakh



Particulars		31 March 2024	31 March 2023
NTPC Ltd	For Services Consultancy & others	76.94	15.93
NTPC Ltd	For employees deputed on secondment basis		711.37
UTILITY POWERTECH LIMITED	For Manpower Services	86.84	66.52
E.E. E.D.I,UPPCL	For Others		-

III) Advances Balances to related parties are as follows:

Particulars	Amount in ₹ lakh	
	31 March 2024	31 March 2023
UTILITY POWERTECH LIMITED	-	7.75

IV) Loans and Advances in the nature of loans granted to promoters, directors, KMP's, Balances to related parties are as follows:

The Company has not granted any loans and advances in the nature of loans to promoters, directors, KMP's and related parties either severally or jointly with any other person.

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

- i. Transactions with the related parties are made on normal commercial terms and conditions and at market rates.
- ii. 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 NTPC Ltd. and Reliance Infrastructure Ltd. UPL inter-alia undertakes jobs such as overhauling, repair, refurbishment of various mechanical and electrical equipment's 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.
- iii. Consultancy services received by the Company from the promoter company (NTPC Limited) are generally on nomination basis at the terms, conditions and principles applicable for consultancy services provided to other parties.
- iv. 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.
- v. Outstanding balances from/to related parties at the year-end, are unsecured and interest free and settlement occurs through banking transaction.



37 i) Disclosure as per Ind-AS 33 on 'Earnings per Share'

Basic and diluted earnings per share	Amount in ₹	
	31 March 2024	31 March 2023
Basic earnings per share		
(a) From operations including regulatory deferral account balances	0.97	0.24
(b) From regulatory deferral account balances	0.34	(0.17)
(c) From operations excluding regulatory deferral account balances	0.63	0.41
Diluted earnings per share		
From operations including regulatory deferral account balances (a)	0.97	0.24
From regulatory deferral account balances (b)	0.34	(0.17)
From operations excluding regulatory deferral account balances (a)-(b)	0.63	0.41
Nominal value per share	10	10
(a) Profit attributable to equity shareholders (used as numerator)	Amount in ₹ lakh	
	31 March 2024	31 March 2023
From operations including regulatory deferral account balances	34,806.30	8,586.95
From regulatory deferral account balances	12,082.26	(6,051.61)
From operations excluding regulatory deferral account balances	22,724.04	14,638.56
(b) Weighted average number of equity shares (used as denominator)		
	31 March 2024	31 March 2023
Opening balance of issued equity shares	3,56,88,19,600	3,49,99,99,600
Effect of shares issued during the year, if any	1,43,66,448	6,12,78,082
Weighted average number of equity shares for Basic EPS	3,58,31,86,048	3,56,12,77,682
Effect of dilution	-	6,61,301
Weighted average number of equity shares for Diluted EPS	3,58,31,86,048	3,56,19,38,984

Basic earnings per equity share is computed by dividing the net profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year.

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

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

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

37 j) Disclosure as per Ind-AS 36 on 'Impairment of Assets'

There are no external/internal indicators which leads to any impairment of assets of the company as required by Ind AS 36 'Impairment of Assets'. Based on management assessment no impairment losses arises and recognised during the year in accordance with Ind-AS 'Impairment of Assets' during the year (Up to 31/03/2023 : Rs. Nil)

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

Movements in provisions:

Particulars	Amount in ₹ lakh	
	Provision for obligations incidental to land acquisition	
	31 March 2024	31 March 2023
Carrying amount at the beginning of the year	1,531.67	-
Additions during the year	-	-
Amounts used during the year	(430.93)	(298.02)
Reversal / adjustments during the year	-	1,829.69
Carrying amount at the end of the year	1,100.74	1,531.67

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 outsees/ demand letters of the local/government authorities.

37 l) Disclosure as per Ind-AS 108 on 'Operating Segment'

In accordance with Ind AS 108, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's management to allocate resources to the segments and assess their performance. The Company engaged in only one segment i.e. Generation and Sale of power to state utilities. The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. As on date the Company has no reportable segments as per the Chief Operating Decision Maker (CODM) of the company.

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

Particulars	For the year ended 31st March 2024		For the year ended 31st March 2023	
	Amount in ₹ lakh	%age	Amount in ₹ lakh	%age
UPPCL	3,36,792.43	78.88%	3,06,671.69	79.51%



37 m) **Disclosure as per Ind AS 114 'Regulatory Deferral Accounts'**

(i) **Nature of rate regulated activities**

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

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

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

(ii) **Recognition and measurement**

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

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

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

- (i) demand risk due to changes in consumer attitudes, the availability of alternative sources of supply
- (ii) regulatory risk on account of submission or approval of a rate-setting application or the entity's assessment of the expected future regulatory actions
- (iii) other risks including currency or other market risks, if any

(iv) **Reconciliation of the carrying amounts:**

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

a) **Regulatory deferral account debit balance - Note 26**

Particulars		Amount in ₹ lakh	
		31st March 2024	31st March 2023
A	Opening Balance	13,250.14	6,952.30
B	Addition during the year	(10,687.48)	7,041.16
C	Amount / realised recognised during the year	1,437.48	989.54
D	Regulatory deferral account balances recognised in Statement of Profit & loss (B+C)	(12,124.96)	6,051.62
E	Adjustment during the year	4,581.86	246.22
F	Closing	5,707.04	13,250.14

b) **Net Movement in regulatory deferral account Balancers (I)**

Particulars		Amount in ₹ lakh	
		31st March 2024	31st March 2023
A	Exchange difference contractual liability	146.62	(523.20)
B	Exchange difference foreign currency loans	143.32	(1,035.42)
C	Pre COD RDAB ERV depreciation	101.12	94.23
D	Deferred Tax	(12,516.02)	7516.01
F	Regulatory deferral account balances recognised in Statement of Profit & loss	(12,124.96)	6,051.62

c) **Tax on net movements in regulatory deferral account balances (II)**

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d) **Total amount recognised in the statement of profit and loss during the year (I-II)**

(12,124.96)	6,051.62
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37 n) **Disclosure as per Ind AS 115 'Revenue from Contracts with Customers'**

Nature of goods and services

The revenue of the Company comprises of income from energy sales, sale of energy through trading, consultancy and other services. The following is a description of the principal activities:

Revenue from energy sales

The major revenue of the Company comes from energy sales. The Company sells electricity to bulk customers, mainly electricity utilities owned by State Governments as well as private Discoms operating in States. Sale of electricity is generally made pursuant to long-term Power Purchase Agreements (PPAs) entered into with the beneficiaries.

Below are the details of nature, timing of satisfaction of performance obligations and significant payment terms under contracts for energy sales:

Product Services : Energy Sales

Nature, timing of satisfaction of performance obligations and significant payment terms

The Company recognises revenue from contracts for energy sales over time as the customers simultaneously receive and consume the benefits provided by the Company. The tariff for computing revenue from energy sales is determined in terms of CERC Regulations as notified from time to time. The amount of revenue recognised for energy sales is adjusted for variable consideration, wherever applicable, which are estimated based on the historical data available with the Company. The amounts are billed on a monthly basis and are payable within contractually agreed credit period.

Revenue recognised with Contract price: Refer Note No. 27 - Energy Sales

Contract balances : Refer Note No. 5 & 9 - Trade receivables

Practical expedients applied as per Ind AS 115:



- a. The Company has not disclosed information about remaining performance obligations that have original expected duration of one year or less and where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.
- b. The Company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the Company has not adjusted any of the transaction prices for the time value of money

The Company has not incurred any incremental costs of obtaining contracts with a customer and therefore, not recognised an asset for such costs.

37 n) Disclosure as per Ind AS 116 'Leases'

A. Company as Lessee

a. The Company's significant leasing arrangements are in respect of the following assets:

i. The Company has entered into a perpetual leasing arrangements in respect of land for laying water pipeline and transmission line for the pump. The Company has paid entire lease consideration on entering into the agreement with no further liability. The leases are non cancellable. These leases are capitalised at the value of initial payment. The Right-of-use land is amortised according the material accounting policies of the Company and the life of the existing plant of 25 years.

b. The carrying amounts of lease liabilities recognised and the movements during the year : Rs. Nil (31st March 2023 Rs. Nil)

c. Maturity Analysis of lease liabilities - No obligation during the year (31st March 2023 Rs. Nil)

d. The following are the amounts recognised in Statement of profit and loss:

Particulars	Amount in ₹ lakh	
	31 March 2024	31 March 2023
Depreciation and amortisation expenses for right of use of assets	28.86	17.11
Interest expenses on lease liabilities	-	-
Expenses related to short term lease	-	-

B. Leases as lessor

No significant leasing arrangements during the year (31st March 2023 - Nil).



38 Contingent liabilities and commitments

a. Claims against the company not acknowledged as debts

1. Capital works

(i) A claim of Rs. 17294.62 lakh (31 March 2023 Rs. 14656.46 lakh) made in FY 2018-19 is pending under arbitration. This claim has been contested by the Company as being not admissible in terms of the provisions of the contracts. It is not practicable to make a realistic estimate of the outflow of resources if any for settlement, pending resolution. The contract has since been terminated by the company on account of sustained delay and non execution of the work. The bank guarantees for advance, performance and additional performance security have been invoked by the Company, and the net proceeds of the same have been retained by the Company, pending completion of balance works of the package and determination of amount to be recovered from the non performing contractor.

(ii) One of the Contractor has lodged a claim of Rs 22687.36 Lakh (31 March 2023: Rs.18775.64 lakh) on account of delay in getting fronts and also on account of interest, hire charges, idle man-power, storage etc. The claim has been contested by the Company. The claim is under examination by the committee.

(iii) Possible reimbursement in respect of (i) to (ii) above

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

2. Land compensation cases

In respect of land acquired for the project, the land seller have claimed higher compensation and other claims before various authorities/courts which are yet to be settled. In such cases, contingent liability of Rs 437.77 Lakh (31 March 2023: Rs.437.77 lakh) has been estimated.

3. Disputed tax matters

Disputed Income Tax matters are pending before various Appellate Authorities amounting to Rs 1473.19 Lakh (31 March 2023: Rs.1447.79 lakh) inclusive of interest are disputed by the Company and contested before various Appellate Authorities under the Income Tax Act. Demand of Rs 1117.51 lakh (31st March 2023 : Rs. 1069.83 lakh) of various period adjusted against refund / deposited under protest against the disputed matters.

4. Other

(i) A claim of Rs. 348.78 lakh (31 March 2023: Rs 142.73 lakh) may arise on account grade difference for which coal sample referred to Referee by the Coal supplier.

(ii) In respect of recovery notice of Deputy Labour commissioner Allahabad state by the Hon'ble court Allahabad, contingent liability has been estimated at Rs 34.40 lakh (31 March 2023: Rs.28.94 lakh).

b. Contingent assets

A claim of Rs 474.76 Lakh (31 March 2023: Rs 304.89 Lakh) made on account lower grade of coal supplied of which sample referred to 'Referee' for final decision in term of fuel supply arrangement.

c. Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided (Net of advance, if any) for as at 31 March 2024 is Rs 50315.39 (31 March 2023: Rs. 103538.05 lakh).



39 **Financial Risk Management**

The Company's principal financial liabilities comprise 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 Trade and other receivables that derive directly from its operations.

The Company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

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

I Risk management framework

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

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

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

Credit risk

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

Trade Receivables

The company primarily sells electricity to bulk customers comprising mainly state power utilities owned by State Governments in India. The Company has a robust payment security mechanism in the form of Letters of Credit (LC) backed by the Tri Party Agreement (TPA among state Govt., RBI and MoP, GoI on behalf of CPSU/IVs). The sale of electricity by the Company is governed by CERC Tariff Regulations. CERC Tariff Regulations allow payment against monthly bill towards energy charges within a period of forty five days from the date of bill and levy of surcharge @ 18% p.a. on delayed payment beyond forty five days. GOI has notified Electricity (Late Payment Surcharge) Rules, 2021 on 22 February 2021. These rules envisage that base rate of LPSC to be considered as SBI one year MCLR, as on 1 April of the financial year, plus five percent. The rate of LPSC shall be increased by 0.5 percent for every month of delay, provided that the LPSC shall not be more than 3 percent higher than the base rate at any time.

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

As per the provisions of the TPA, the customers are required to establish LC covering 105% of the average monthly billing of the Company for last 12 months. The TPA also provided that if there is any default in payment of current dues by any State Utility, the outstanding dues can be deducted from the State's RBI account and paid to the concerned CPSU. There is also provision of regulation of power by the Company in case of non payment of dues and non-establishment of LC.

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

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

Cash and cash equivalents

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

Deposits with banks and financial institutions

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

(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:

Particulars	Amount in ₹ lakh	
	31 March 2024	31 March 2023
Financial assets for which loss allowance is measured using 12 months Expected Credit Losses (ECL)		
Cash and cash equivalents	23,658.45	5,377.18
Bank Balances Other than Cash & Cash Equivalents	7,417.79	4,811.01
Other financial assets	1,055.75	4,535.44
Financial assets for which loss allowance is measured using life time Expected Credit Losses (ECL) as per simplified approach		
#Trade receivables	53,557.77	93,690.28
Total	85,689.76	1,08,413.91

Net of discount Rs. 155.51 lakh (31 March 2023: Rs 407.25 Lakh)

(ii) Provision for expected credit losses

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

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

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

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

(iii) Reconciliation of impairment loss provision

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



39 **Financial Risk Management**

II Liquidity risk

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

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

(i) Financing arrangements

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

Particulars	Amount in ₹ lakh	
	31 March 2024	31 March 2023
Fixed-rate borrowings		
Foreign currency loans	-	-
Floating-rate borrowings		
Rupee Term loans	9,210.71	23,434.00
Total	9,210.71	23,434.00

(ii) Maturities of financial liabilities

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

Contractual maturities of financial liabilities	Contractual cash flows					Total
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Non-derivative financial liabilities						
Term loans from Bank & Financial institution	25,426.27	1,22,154.41	1,45,915.72	4,11,592.02	1,85,068.79	8,90,157.21
Foreign currency loans	-	9,686.65	9,409.41	26,625.32	18,532.34	64,253.72
Trade and other payables	1,06,912.29	1,813.06	146.32	1.78	-	1,08,873.45

Contractual maturities of financial liabilities	Contractual cash flows					Total
	3 months or less	3-12 months	1-2 years	2-5 years	More than 5 years	
Non-derivative financial liabilities						
Term loans from Bank & Financial institution	25,047.58	74,651.08	1,19,617.14	2,57,676.22	4,91,559.09	9,68,551.11
Foreign currency loans	-	10,868.24	10,565.94	30,019.55	29,717.44	81,171.17
Trade and other payables	1,41,818.90	10,930.91	87.24	29.02	-	1,52,866.07



39 III Fair Value Measurements

a. 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.

b. 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.

c. The currency profile of financial assets and financial liabilities in terms of INR are as below:

As at 31 March 2024

Particulars	Amount in ₹ lakh				
	USD	EURO	JPY	CHF	Total
Financial liabilities					
Foreign currency loans (Inc. Intt. Accrued)	11,075.74	-	45,599.70	-	56,675.44
Trade and other payables	1,277.39	5,578.59	1,663.45	6.56	8,525.99
Total	12,353.13	5,578.59	47,263.15	6.56	65,201.43

As at 31 March 2023

Particulars	Amount in ₹ lakh				
	USD	EURO	JPY	CHF	Total
Financial liabilities					
Foreign currency loans (Inc. Intt. Accrued)	12,400.85	-	58,285.47	-	70,686.31
Trade and other payables	2,975.25	6,099.35	3,733.62	9.20	12,817.41
Total	15,376.09	6,099.35	62,019.09	9.20	83,503.72

d. 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.



39 III **Fair Value Measurements ... Contd..**

e. **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:

Particulars	Amount in ₹ lakh	
	31 March 2024	31 March 2023
Financial Assets		
Fixed-rate instruments		
Deposits with banks	21,004.70	6,579.66
Total	21,004.70	6,579.66
Financial Liabilities		
Fixed-rate instruments		
Foreign currency loans	55,839.07	68,372.86
	55,839.07	68,372.86
Variable-rate instruments		
Foreign currency loans	814.79	2,286.71
Rupee term loans	5,94,731.14	6,45,984.16
	5,95,545.93	6,48,270.87
Total	6,51,385.00	7,16,643.73

f. **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.

g. **Cash flow sensitivity analysis for variable-rate instruments**

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

Particulars	Amount in ₹ lakh	
	Cash Flow (Increase in outflow) / Reduction Inflow	
	50 bp increase	50 bp decrease
31 March 2024		
Foreign currency loans	(4)	4
Rupee term loans	(2,974)	2,974
	(2,978)	2,978
31 March 2023		
Foreign currency loans	(11)	11
Rupee term loans	(3,230)	3,230
	(3,241)	3,241



39 IV Fair Value Measurements

a. **Financial instruments by category**

Amount in ₹ lakh

Particulars	31 March 2024			31 March 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial assets						
Trade receivables	-	-	53,557.77	-	-	93,690.28
Cash and cash equivalents	-	-	23,658.45	-	-	5,377.18
Bank balances other than cash and cash equivalents	-	-	7,417.79	-	-	4,811.01
Other financial assets	-	-	1,055.75	-	-	4,535.44
	-	-	85,689.76	-	-	1,08,413.91
Financial liabilities						
Borrowings	-	-	6,53,516.09	-	-	7,25,757.26
Trade payables	-	-	10,178.29	-	-	23,305.51
Payable for capital expenditure	-	-	48,025.73	-	-	59,343.70
Other financial liabilities	-	-	23,911.85	-	-	12,593.88
	-	-	7,35,631.96	-	-	8,21,000.35

b. **Fair value hierarchy**

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard as detailed here under:

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

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

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

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

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

c. **Fair value of financial assets and liabilities measured at amortised cost**

Amount in ₹ lakh

Particulars	Level	31 March 2024		31 March 2023	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets		85,689.76	85,689.76	1,08,413.91	1,08,413.91
Refer Note given below*					
Financial liabilities					
Rupee term loans	3	5,86,978.10	5,86,978.10	6,30,070.99	6,30,070.99
Foreign currency loans	3	56,675.44	56,675.44	70,686.31	70,686
Payable for capital expenditure	3	152.86	135.20	127.72	113.21
		6,43,806.40	6,43,788.74	7,00,885.02	7,00,870.51

*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 Rupee term loan are mainly on variable rate of interest as such fair value considered at par during the year.

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



39 V **Capital Management**

The Company's objectives when managing capital are to:

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

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

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

The Company monitors capital using gearing ratio which is net debt divided by total equity. Net debt comprises of non-current borrowings (including current maturities and interest accrued there on) and current borrowings less cash and cash equivalents. Equity includes equity share capital and reserves that are managed as capital. The gearing ratio at the end of the reporting period was as follows:

	Amount in ₹ lakh	
	31 March 2024	31 March 2023
Total Borrowings	7,00,050.32	7,92,380.55
Less : Cash and cash equivalent	23,658.45	5,377.18
Net debt	6,76,391.87	7,87,003.37
Total equity	3,87,889.98	3,44,969.20
Net debt to equity ratio	1.74	2.28

40 **Information in respect of micro and small enterprises as at 31st March 2024 as required by Schedule III to the Companies Act, 2013 and Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)**

Particulars	Amount in ₹ lakh	
	31 March 2024	31 March 2023
a) Amount remaining unpaid to any supplier:		
Principal amount	598.77	627.10
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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- a. As per the terms and conditions of long term Power Purchase Agreement (PPAs) entered, the power purchaser requires to furnish unconditional monthly revolving and irrevocable 'Letter of Credit' (LC) established with any scheduled bank, in favour of Company. The value of LC would cover 105 percent of one month's estimated billing for supply of power. It was also stipulated that the value of LC would be reviewed half yearly on the basis of the average of billing of previous 12 months and the LC amount would be enhanced/reduced accordingly. However, one of the power purchaser has not yet furnished the letter of credit as stipulated in the agreement.
- b. On 11th December, 2019, vide The Taxation Law (Amendment) Act, 2019, the Government of India inserted Section 115 BAA in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective 1st April, 2019, subject to certain conditions. The company has recognised the tax provision in its books as per Section 115 BAA under new tax regime.
- c. In terms of Fuel Supply arrangement if the level of delivery by seller, or the level of lifting by the purchaser falls below annual contracted quantity (ACQ) with respect to that year, the defaulting party shall liable to pay compensation to the other party for such shortfall in level of delivery or level of lifting, as the case may be. Neither any claim for short supply of the coal had been made by the Company on coal company nor any claim of incentive of Coal supplier company has been received till finalization, therefore the same has not been recognised in the accounts following the principles of conservatism and accrual.
- d. During the year, the Company has reviewed the items included in the inventory of stores and spares and identified spares of Rs. 2395.78 lakh (March 2023 Rs.2548.99) lakh which were required to be capitalized as capital spares on the date of acquisition but carried in the Inventory up to the year ended March 31, 2023. Those identified capital spares has been de-recognised from the inventory and capitalized in Plant and Equipment with capitalization date as original acquisition date of the assets. Accordingly, depreciation on capital spares related to the period ended up to March 31, 2023, amounting to Rs. 333.12 lakh (March 2023 : Rs. 251.77 lakh) has been charged to the Statement of Profit and Loss for the year ended March 31, 2024.
- e. The quarterly returns / statement of current assets filed by the company with banks / financial institutions are in agreement with the books of accounts.
- f. In earlier years, before the transition to SAP accounting software, the Company had recognised Capital work in progress of Rs.1,269.55 Lakhs and expenses of Rs. 39.27 Lakhs with corresponding liability for services and materials based on estimations of work done upto the respective period end. On transition to SAP, these liabilities were recognised again in Capital work in progress and expenses based on actual invoices of the suppliers but liability recognised earlier on estimation basis were not reversed. During the year, the Company has identified and reversed liability of Rs.39.27 Lakhs in other income and Rs.1,269.55 Lakhs in Capital work in progress as excess liability not required to be settled. This has impact on the profit before tax of Rs. 39.27 Lakhs for the year ended March 31, 2024.

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Other Additional Regulatory Information

- a The company has not granted any loans or advances to promoters, directors, KMP's and the related parties that are repayable on demand or without specifying any terms or period of repayment.
- b No proceedings have been initiated or pending against the company under the Benami Transactions (Prohibition) Act, 1988.
- c The company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.
- d No Registration of Charge / satisfaction of Charge with Registrar of the Companies beyond the the statutory period are pending at the end of reporting period.
- e The Company has no transaction and balance with companies struck off under section 248 of the Companies Act, 2013, or section 248 of the Companies Act, 1956.
- f No funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- g No funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- h The provisions of clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017 are not applicable to the company as per Section 2(45) of the Companies Act, 2013.
- i The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- j The company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessment under income tax act 1961.



42 (ja) Corporate Social Responsibility Expenses (CSR)

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

Particulars	Amount in ₹ lakh	
	For the year ended 31 March 2024	For the year ended 31 March 2023
A. Amount required to be spent during the year		
(i) Gross amount (2% of average net profit as per Section 135 of Companies Act,2013)	288.56	-
(ii) Surplus arising out of CSR projects	-	-
(iii) Set off available from previous year	-	-
(iv) Total CSR obligation for the year [(i)+(ii)-(iii)]	288.56	-
B. Amount approved by the Board to be spent during the year	288.56	-
C. Amount spent during the year on:		
a) Construction/acquisition of any asset	-	-
b) On purposes other than (a) above	158.01	-
Total	158.01	-
D. Set off available for succeeding years	-	-
E. Amount unspent during the year	130.55	-

The unspent CSR fund shall be transferred to fund referred under schedule VII of Companies Act, 2013 within specified timeline.

i) Amount spent during the year ended 31 March 2024:

Particulars	Amount in ₹ lakh		
	In cash	Yet to be paid in cash	Total
a) Construction/acquisition of any asset	-	-	-
b) On purposes other than (a) above	158.01	-	158.01

Amount spent during the year ended 31 March 2023:

Particulars	Amount in ₹ lakh		
	In cash	Yet to be paid in cash	Total
a) Construction/acquisition of any asset	-	-	-
b) On purposes other than (a) above	-	-	-

ii) Details of contribution to a trust controlled by the company in relation to CSR expenditure:

Particulars	Amount in ₹ lakh	
	For the year ended 31 March 2024	For the year ended 31 March 2023
NA	-	-

ii) Break-up of the CSR expenses under major heads is as under:

Particulars	Amount in ₹ lakh	
	For the year ended 31 March 2024	For the year ended 31 March 2023
Empowerment of Women	8.62	-
Augmenting Educational Infra in Schools	21.41	-
Distribution of Stationery Kits, Benches	11.46	-
Conducting Health Camps	2.11	-
Construction of Roads and Renovation of Infra	23.37	-
Distribution of Blankets	6.79	-
Organizing and Promoting Sports Activities	1.74	-
Other Activities of Strategic Nature	17.61	-
Vocational Trainings	11.76	-
Other Miscellaneous	53.14	-
Total	158.01	-



k Disclosure of Ratio :


Ratio	Numerator	Denominator	FY 2023-24	FY 2022-23	Variance in %	Reason for Variance more than 25%
Current Ratio	Current Assets	Current Liabilities	1.27	0.99	27.81%	Improvement in Working Capital.
Debt-Equity Ratio	Long term Borrowings	Shareholder's Equity (Total Equity)	1.68	2.10	-19.92%	Not Applicable
Debt Service Coverage Ratio	Profit for the year+Finance costs+ Depreciation and amortisation expenses+Exceptional items	Finance Costs + lease payments+Scheduled principal repayments of long term borrowings	1.26	1.02	23.49%	Not Applicable
Return on Equity Ratio	Profit for the year	Average Shareholder's Equity	9.50%	2.54%	273.67%	Increased in operational performance resulting increase return on equity.
Inventory Turnover Ratio	Revenue from operations	Average Inventory	9.53	9.43	1.04%	Not Applicable
Trade Receivables Turnover Ratio	Revenue from operations	Average trade receivables	5.76	4.33	32.95%	Improvement in realisation of receivable.
Trade Payables Turnover Ratio	Total Purchases (Fuel Cost + Other Expenses+Closing Inventory-Opening Inventory)	Average trade payable	16.51	14.71	12.23%	Not Applicable
Net Capital Turnover Ratio	Revenue from operations	Working Capital+current maturities of long term borrowings	29.46	(44.65)	165.97%	Average Working Capital Improved as the same was negative in FY 2022-23.
Net Profit Ratio	Profit for the year	Revenue from operations	8.21%	2.26%	263.02%	Increased in operational performance resulting increase in profit.
Return on Capital employed	Earning before interest and taxes	Capital Employed= Tangible Net Worth + Total Debt + Deferred Tax Liabilities	9.76%	5.35%	82.47%	Increased in operational performance resulting increase return on capital employed.

The accompanying notes 1 to 42 form an integral part of these financial statements.

For & on behalf of the Board of Directors


Anil Kumar
CO
PAN:AEJPR0327J


Kamlesh Soni
CEO
PAN:AESPS1046L


Nidhi Kumar Narang
Director
DIN:03473420


K. Sundaram
Chairman
DIN:10347322


Priyanka Sathi
Company Secretary
PAN:FQKPS8293A

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

For RSPH & Associates,
Chartered Accountants
Firm Reg. No. 003013N

(Tarun Kumar Batra)
Partner
M No. 094318
ICAI UDIN : 240949180517049

Place: New Delhi
Dated : 17-05-2024

