



A MAHARATNA COMPANY

NTPC LIMITED

(A Government of India Enterprise)

Our Company was originally incorporated in New Delhi on November 7, 1975 under the Companies Act, 1956 ("Companies Act 1956") as a private limited company under the name, 'National Thermal Power Corporation Private Limited'. For information on changes in our Company's name and registered office, see "History and Certain Corporate Matters" on page 73.

Registered and Corporate Office: NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi 110 003 **Tel:** (+91 11) 2436 0100; **Fax:** (+91 11) 2436 1018; **CIN:** L40101DL1975GOI007966; **Website:** www.ntpc.co.in; **Executive Director & Company Secretary and Compliance Officer:** Mr. A.K. Rastogi; **Tel:** (+91 11) 2436 0071; **Fax:** (+91 11) 2436 0241; **E-mail:** akrastogi@ntpc.co.in

THE PROMOTER OF OUR COMPANY IS THE PRESIDENT OF INDIA, ACTING THROUGH THE MINISTRY OF POWER ("MOP"), GOVERNMENT OF INDIA ("GOI") PUBLIC ISSUE BY NTPC LIMITED ("COMPANY" OR "ISSUER" OR "NTPC") OF TAX-FREE SECURED REDEEMABLE NON-CONVERTIBLE BONDS OF FACE VALUE OF ₹ 1,000 EACH, IN THE NATURE OF DEBENTURES HAVING TAX BENEFITS UNDER SECTION 10(15)(iv)(h) OF THE INCOME TAX ACT, 1961, AS AMENDED ("INCOME TAX ACT" AND SUCH BONDS, "BONDS"), FOR AN AMOUNT OF ₹ 400 CRORE ("BASE ISSUE SIZE") WITH AN OPTION TO RETAIN OVERSUBSCRIPTION OF UP TO ₹ 300 CRORE FOR ISSUANCE OF ADDITIONAL BONDS AGGREGATING TO A TOTAL OF UP TO ₹ 700 CRORE, ("ISSUE SIZE") IN FISCAL 2016 ("ISSUE").

The Issue is being made under the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended ("SEBI Debt Regulations") and pursuant to Notification No. 59/2015.F.No.178/27/2015-ITA-1 dated July 6, 2015 issued by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, GoI ("MoF") ("CBDT Notification"), by virtue of powers conferred on it under Section 10(15)(iv)(h) of the Income Tax Act.

In terms of the CBDT Notification, our Company has been authorised to issue tax free secured redeemable non-convertible bonds for an amount of ₹ 1,000 crore during the fiscal 2016 of which at least 70.00% of aggregate amount of bonds is to be raised through public issue. Accordingly, our Company has already issued tax-free secured redeemable non-convertible bonds amounting to ₹ 300 crore being 30.00% of the Allocated Amount by way of private placement and now plans to raise the balance ₹ 700 crore ("Issue Size") through this issue. Our Company shall ensure that bonds issued pursuant to the CBDT Notification through public issue route and private placement route in fiscal 2016 shall, in aggregate, not exceed ₹ 1,000 crore.

GENERAL RISKS

Investors are advised to read the risk factors carefully before making an investment decision in relation to the Issue. For making an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. Specific attention is invited to "Risk Factors" on page 13 and "Material Developments" on page 128. This document has not been and will not be approved by any regulatory authority in India, including the Securities and Exchange Board of India ("SEBI"), the Reserve Bank of India ("RBI"), any registrar of companies or any stock exchange in India.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that the Draft Prospectus contains all information with regard to the Issuer and the Issue which is material in the context of the Issue that the information contained in the Draft Prospectus is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other material facts, the omission of which makes the Draft Prospectus as a whole or any such information or the expression of any such opinions or intentions misleading in any material respect.

CREDIT RATING

ICRA Limited ("ICRA") has, by its letter (No. D/RAT/2015-16/N3/1) dated August 14, 2015, assigned a rating of [ICRA] AAA (stable) to the Bonds, and revalidated such rating by letter (No. D/RAT/2015-16/N3/5) dated September 1, 2015. CRISIL Limited ("CRISIL") has, by its letter (No. NTPCLTD/137722/NCD/081500586) dated August 13, 2015, assigned a rating of CRISIL AAA to the Bonds, and revalidated such rating by letter (No. RG/NTPCL/SN/31714) dated September 1, 2015. Credit Analysis and Research Limited ("CARE") has, by its letter (No. CARE/DRO/RL/2015-16/1606) dated September 1, 2015 assigned a rating of CARE AAA (Triple A) to the Bonds. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations and carry lowest credit risk. These ratings are not a recommendation to buy, sell or hold securities, and investors should take their own decision. These ratings are subject to revision or withdrawal at any time by the assigning rating agency (ies) and should be evaluated independently of any other ratings. For the rationale for these ratings, see "Annexure B – Credit Rating".

COUPON RATE, COUPON PAYMENT FREQUENCY, MATURITY DATE, MATURITY AMOUNT

For details relating to Coupon Rate, Coupon Payment Frequency, Maturity Date and Maturity Amount of the NCDs, please refer to the chapter "Terms of the Issue" on page 141.

PUBLIC COMMENTS

The Draft Prospectus dated September 9, 2015 has been filed with BSE Limited ("BSE"), being the Designated Stock Exchange, and the National Stock Exchange of India Limited ("NSE") (together, "Stock Exchanges") pursuant to Regulation 6(2) of the SEBI Debt Regulations. The Draft Prospectus shall be uploaded by the Stock Exchanges on their respective websites, www.bseindia.com and www.nseindia.com, and is open for public comments for 7 working days from the date of filing of this Draft Prospectus. All comments on the Draft Prospectus are to be forwarded to the attention of Mr. A.K. Rastogi, Executive Director & Company Secretary and Compliance Officer at the registered office, at the following address: NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi 110 003 ("Registered Office"); Fax: (+91 11) 2436 0241; E-mail: akrastogi@ntpc.co.in. All comments from the public must be received by our Company within 7 working days of the date of filing of the Draft Prospectus with the Stock Exchanges, i.e., not later than 5 P.M. (Indian Standard Time) on the 7th working day. Comments may be sent through post, fax or e-mail.

LISTING

The Bonds are proposed to be listed on BSE and NSE. We have obtained in-principle listing approvals for the Bonds by letter (No. [●]) dated [●] from BSE and letter (No. [●]) dated [●] from NSE. The Designated Stock Exchange for the Issue is BSE.

ELIGIBLE INVESTORS

Participation by any of eligible category of Applicants in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable statutory and/or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of Bonds pursuant to the Issue. For details pertaining to Eligible Investors please refer to "Issue Structure" and "Terms of the Issue" on pages 136 and 141.

LEAD MANAGERS TO THE ISSUE			REGISTRAR TO THE ISSUE	BOND TRUSTEE	
A. K. CAPITAL SERVICES LIMITED 30-39, Free Press House, 3 rd Floor, Free Press Journal Marg, 215, Nariman Point, Mumbai 400 021 Tel: (+91 22) 6754 6500/6634 9300 Fax: (+91 22) 6610 0594 Email: ntpcfbonds15@akgroup.co.in Investor Grievance Email: investor.grievance@akgroup.co.in Website: www.akcapindia.com Contact Person: Mr. Mandeeep Singh/Ms. Shilpa Pandey Compliance Officer: Ms. Kanchan Singh SEBI Registration No.: INM000010411	AXIS CAPITAL LIMITED 1st floor, Axis House, C-2 Wadia International Centre, P.B. Marg, Worli, Mumbai 400 025 Tel: (+91 22) 4325 2525 Fax: (+91 22) 4325 3000 E-mail: ntpctaxfree2015@axiscap.in Investor Grievance Email: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Mr. Akash Aggarwal Compliance Officer: Mr. M. Natarajan SEBI Registration No.: INM000012029	EDELWEISS FINANCIAL SERVICES LIMITED Edelweiss House Off CST Road, Kalina, Mumbai 400 098 Maharashtra, India Tel: +91 22 4086 3535; Facsimile: +91 22 4086 3610 Email: ntpcf2015@edelweissfin.com Investor Grievance Email: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact Person: Mr. Lokesh Singhi Compliance Officer: Mr. B. Renganathan SEBI Registration No.: INM0000010650	SBI CAPITAL MARKETS LIMITED 202, Maker Tower E, Cuffe Parade, Mumbai 400 005 Tel: (+91 22) 2217 8300 Fax: (+91 22) 2218 8332 Email: ntpctaxfree2015@sbicaps.com Investor Grievance Email: investor.relations@sbicaps.com Website: www.sbicaps.com Contact person: Mr. Nithin Kanganti/Nikhil Bhiwapurkar Compliance Officer: Mr. Bhaskar Chakraborty SEBI Registration No.: INM000003531	KARVY COMPUTERSHARE PRIVATE LIMITED Karvy Selenium Tower-B, Plot No. 31 and 31; Gachibowli Financial District, Nanakramguda, Serilgampally, Hyderabad – 500 008 Tel: (+91 40) 6716 2222 Fax: (+91 40) 2343 1551 E-mail: ntpc.bond@karvy.com Investor Grievance Email: einward.ris@karvy.com Website: www.karisma.karvy.com Contact Person: Mr. M. Murali Krishna SEBI Registration No.: INR000000221	IDBI TRUSTEESHIP SERVICES LIMITED ASIAN Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai- 400 001 Tel: +91 22 4080 7000 Fax: +91 22 4080 7080 Email: its@idbitrustee.com Investor Grievance Email: response@idbitrustee.com Website: www.idbitrustee.com Contact Person: Anjali Athalaye SEBI Registration No.: IND000000460

ISSUE SCHEDULE

ISSUE OPENS ON [●]

ISSUE CLOSES ON [●]

** The Issue shall remain open for subscription from 10 A.M. to 5 P.M. (Indian Standard Time) during the period indicated above with an option for early closure/extension as may be decided by the board of directors of our Company or a duly constituted committee thereof, including the Committee of the Board for Allotment and Post-Allotment Activities of NTPC's Securities and the Committee for Public Issue of Tax Free Bonds ("Board") or an authorised representative of the Board. In the event of such early closure or extension of the subscription list of the Issue, our Company shall ensure that public notice of such early closure/extension is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in at least one leading national daily newspaper with wide circulation.

IDBI Trusteeship Services Limited has by its letter dated September 9, 2015, given its consent for its appointment as the Bond Trustee and for its name to be included in this Draft Prospectus and in all subsequent communications sent to the Bondholders. A copy of the Prospectus shall be filed with the Registrar of Companies, National Capital Territory of Delhi and Haryana ("RoC"), in terms of Section 26 of the Companies Act, 2013, along with endorsed/certified copies of all requisite documents. For more information, see "Material Contracts and Documents for Inspection" on page 190.

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SECTION I - GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Prospectus uses certain definitions and abbreviations which, unless the context indicates or implies otherwise, have the meaning provided below. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

Company Related Terms

Term	Description
“Issuer”, “NTPC”, “our Company” or “the Company”	NTPC Limited, a company incorporated under the Companies Act 1956 and having its registered office at NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi 110 003
“We” or “us”, “our”	NTPC, together with its Subsidiaries and Joint Ventures on a consolidated basis, unless the context otherwise requires
Articles/Articles of Association/AoA	Articles of association of our Company
Board/Board of Directors	Board of directors of our Company or a duly constituted committee thereof, including the Committee of the Board for Allotment and Post-Allotment Activities of NTPC’s Securities and the Committee for Public Issue of Tax Free Bonds
BRBCL	Bhartiya Rail Bijlee Company Limited
Equity Shares	Equity shares of our Company of face value ₹ 10 each
Joint Statutory Auditors/Auditors/Independent Auditors	TR Chadha & Co., Chartered Accountants, Sagar & Associates, Chartered Accountants, Kalani & Co., Chartered Accountants, P A & Associates, Chartered Accountants, S K Kapoor & Co., Chartered Accountants, B M Chatrath & Co., Chartered Accountants, and P S D & Associates, Chartered Accountants
Joint Venture(s)	Our 21 joint venture companies for undertaking specific business activities as referred to in “ <i>History and Certain Corporate Matters</i> ” on page 75
KBUNL	Kanti Bijlee Utpadan Nigam Limited
Memorandum/Memorandum of Association/MoA	Memorandum of Association of our Company
Promoter	The President of India, acting through the MoP
Registered Office	Registered and corporate office of our Company situated at NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi 110 003
RoC	Registrar of Companies, National Capital Territory of Delhi and Haryana
Subsidiaries (and each, individually, a Subsidiary)	Subsidiaries of our Company as referred to in “ <i>History and Certain Corporate Matters</i> ” on page 75

Issue Related Terms

Term	Description
2012 SEBI Circular	Circular (No. CIR./IMD/DF-1/20/2012) dated July 27, 2012 issued by SEBI
AK Capital	A. K. Capital Services Limited
Allotment Advice	The communication sent to the Allottees conveying the details of Bonds Allotted to the Allottees in accordance with the Basis of Allotment
Allotment/Allot/Allotted	Issue and allotment of Bonds to successful Applicants pursuant to the Issue
Allottee	A successful Applicant to whom Bonds are Allotted pursuant to the Issue
Applicant	A person who makes an offer to subscribe to the Bonds pursuant to the terms detailed in the Prospectus and Application Form for the Issue
Application	An application to subscribe to the Bonds offered pursuant to the Issue by submission of a valid Application Form and payment of the Application Amount by any of the modes as prescribed in this Draft Prospectus and the Prospectus
Application Amount	Aggregate value of Bonds applied for, as indicated in the Application Form
Application Form	Form in terms of which an Applicant (including the application form used by an NRI Applying on a non-repatriation basis) shall make an offer to subscribe to Bonds and which will be considered as the application for Allotment of Bonds in terms of the Prospectus
Application Supported by Blocked Amount/ ASBA/ASBA Application	The Application (whether physical or electronic) used by an ASBA Applicant to make an Application authorising the SCSB to block the Application Amount in a specified bank account maintained with such SCSB
ASBA Account	An account maintained with a SCSB which will be blocked by such SCSB to the extent of the Application Amount mentioned in the Application Form made in ASBA mode by an ASBA Applicant

ASBA Applicant	Any Applicant who applies for the Bonds through the ASBA Process
Axis	Axis Capital Limited
Base Issue Size	₹ 400 crore
Basis of Allotment	The basis on which the Bonds will be Allotted to successful Applicants under the Issue and which is described in “ <i>Terms of the Issue – Basis of Allotment</i> ” on page 143
Bond Certificate(s)	Certificate issued to Bondholder(s) on an application made for rematerialisation made by the beneficial owner of the Bonds held in the demat form
Bond Trustee	Trustee for the Bondholders, in this case being IDBI Trusteeship Services Limited
Bond Trust Deed	Trust deed executed/to be executed between the Bond Trustee and our Company
Bond Trustee Agreement	Bond Trustee Agreement dated September 4, 2015, between our Company and the Bond Trustee
Bondholder(s)	Any person holding Bonds and whose name appears on the beneficial owners list provided by the Depositories (in case of Bonds held in dematerialized form) or whose name appears in the Register of Bondholders maintained by our Company/the Registrar to the Issue/any other agency designated by our Company for such purpose (in case of rematerialisation of bonds)
Bonds	Tax-free secured redeemable non-convertible bonds in the nature of debentures, of our Company of face value of ₹ 1,000 each, having benefits under Section 10(15)(iv)(h) of the Income Tax Act, proposed to be issued by our Company pursuant to the Prospectus
Category I/QIBs	PFIs, scheduled commercial banks, venture capital funds registered with SEBI, MFs registered with SEBI, state industrial development corporations, insurance companies registered with the IRDA, Alternative Investment Funds, subject to investment conditions applicable to them under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, provident funds with a minimum corpus of ₹ 25 crore, pension funds with a minimum corpus of ₹ 25 crore, the National Investment Fund set up by resolution (F. No. 2/3/2005-DD-II) dated November 23, 2005 of the GoI, published in the Gazette of India, insurance funds set up and managed by the army, navy, or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India, subject to such being authorized to invest in the Bonds. <i>With regard to Section 186(7) of the Companies Act 2013, see general circular (No. 6/2015), dated April 9, 2015 issued by the MCA clarifying that in cases where the effective yield (effective rate of return) on tax free bonds is greater than the prevailing yield of one year, three year, five year or ten year government security closest to the tenor of the loan, there is no violation of Section 186(7) of the Companies Act, 2013</i>
Category II/Corporates	Companies falling within the meaning of Section 2(20) of the Companies Act 2013, limited liability partnerships, statutory corporations, trusts, partnership firms in the name of their respective partners, associations of persons, co-operative banks, regional rural banks, societies registered under the applicable laws in India and other legal entities constituted and/or registered under applicable laws in India that are authorized to invest in Bonds by their respective constitutional and/or charter documents, subject to compliance with respective applicable laws <i>With regard to Section 186(7) of the Companies Act 2013, see general circular (No. 6/2015), dated April 9, 2015 issued by the MCA clarifying that in cases where the effective yield (effective rate of return) on tax free bonds is greater than the prevailing yield of one year, three year, five year or ten year government security closest to the tenor of the loan, there is no violation of Section 186(7) of the Companies Act, 2013</i>
Category III/High Net Worth Individuals	Resident individual investors (including HUFs applying through their Kartas), and NRIs Applying on non-repatriation basis only, who have applied for Bonds for an amount more than ₹ 10 lakh across all Series of Bonds in the Issue
Category IV/Retail Individual Investors	Resident individual investors (including HUFs applying through their Kartas), and NRIs Applying on non-repatriation basis only, who have applied for Bonds for an amount less than or equal to ₹ 10 lakh across all Series of Bonds in the Issue
CBDT Notification	Notification No. 59/2015.F.No.178/27/2015-ITA.1 dated July 6, 2015 issued by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, GoI
Collection Centres	Collection Centres shall mean those branches of the Bankers to the Issue that are authorized to collect the Application Forms (other than in respect of Applications made under ASBA) as per the Escrow Agreement
Consolidated Certificate	In case of rematerialized Bonds held in physical form, the certificate issued by our Company to the Bondholder for the aggregate amount of each of the Series of Bonds that are rematerialized and/or held by such Bondholder
Consortium (each individually, a member of the Consortium)	The Lead Managers and the Consortium Members
Consortium Agreement	Consortium Agreement dated [●] among our Company and the Consortium
Consortium Members	[●]

Corporate Portion	The portion of the Issue, constituting [●]% of the Issue which shall be available for allocation to Applicants falling under Category II
Credit Rating Agencies	ICRA, CRISIL and CARE
Coupon/Interest Payment Date(s)	The dates on which interest/coupon on the Bonds shall fall due for payment as specified in the Prospectus
Deemed Date of Allotment	The date on which the Board approves the Allotment of Bonds for the Issue or such date as may be determined by the Board and notified to the Designated Stock Exchange. All benefits accruing in relation to the Bonds including interest on Bonds shall be available from Deemed Date of Allotment. Actual Allotment of Bonds may occur on a date later than Deemed Date of Allotment
Demographic Details	The demographic details of an Applicant, such as his/her address, bank account details, occupation and PAN
Designated Branches	Such branches of the SCSBs as shall collect the Application Form used by ASBA Applicants, a list of which is available at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or such other website as may be prescribed by SEBI from time to time
Designated Date	Date of instructions being given for Application Amounts to be transferred from the Escrow Account(s) to the Public Issue Account or the Refund Account, and the Registrar to the Issue issues instructions to the SCSBs for transfer of funds to the Public Issue Account or unblock such amounts as are liable to be Refunded, as appropriate, following which the Board shall Allot the Bonds to successful Applicants, provided that Application Amounts received will be kept in the Escrow Account(s) up to this date and our Company will have access to such funds only after creation of adequate security for the Bonds
Designated Stock Exchange	BSE
Direct Online Application Mechanism	Applications made through an online interface establishment and maintained by the Stock Exchanges enabling direct application by investors to a public issue of their debt securities with an online payment facility in terms of the 2012 SEBI Circular
DP ID	Depository Participant ID
Draft Prospectus	This draft prospectus dated September 9, 2015 filed by our Company with the Stock Exchanges and SEBI, and which shall be open for public comments, in accordance with SEBI Debt Regulations
Edelweiss	Edelweiss Financial Services Limited
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s), in whose favour Applicants other than ASBA Applicants will issue cheques or demand drafts in respect of the Application Amount when submitting Applications
Escrow Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Lead Managers and the Escrow Collection Bank(s) for collection of the Application Amounts and where applicable, Refunds of amounts collected from Applicants (other than ASBA Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Banks that are clearing members and registered with SEBI with whom the Escrow Account will be opened, in this case being [●]
High Net Worth Individual Portion	The portion of the Issue, constituting [●]% of the Issue which shall be available for allocation to Applicants falling under Category III
Issue	Public issue by our Company of tax-free secured redeemable non-convertible Bonds of face value of ₹ 1,000 each in the nature of debentures having tax benefits under Section 10(15) (iv) (h) of the Income Tax Act, for an amount of ₹ 400 crore with an option to retain oversubscription of up to ₹ 300 crore for issuance of additional bonds aggregating to a total of up to ₹ 700* crore during fiscal 2016. <i>* In terms of the CBDT Notification, our Company has been authorised to issue tax free secured redeemable non-convertible bonds for an amount of ₹ 1,000 crore during the fiscal 2016 of which at least 70.00% of aggregate amount of bonds is to be raised through public issue . Accordingly, our Company has already issued tax-free secured redeemable non-convertible bonds amounting to ₹ 300 crore being 30.00% of the Allocated Amount by way of private placement and now plans to raise the balance ₹ 700 crore through this issue. Our Company shall ensure that bonds issued pursuant to the CBDT Notification through public issue route and private placement route in fiscal 2016 shall, in aggregate, not exceed ₹ 1,000 crore.</i>
Issue Agreement	The agreement entered into on September 4, 2015, between our Company and the Lead Managers
Issue Closing Date	[●]. The Issue shall remain open for subscription from 10.00 A.M. to 5.00 P.M. (Indian Standard Time) during the Issue Period with an option for early closure or extension, as may be decided by the Board or an authorised representative of the Board
Issue Opening Date	[●]
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both

	days, during which a prospective Applicant may submit their Application Forms
Issue Size	The aggregate limit of the Issue being ₹ 700 crore
Lead Managers	AK Capital, Axis, Edelweiss and SBICAP
Market Lot/Trading Lot	One Bond
OCB or Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under the Foreign Exchange Management Act, 1999. OCBs are not permitted to invest in the Issue
Portion	The terms QIB Portion, Corporate Portion, High Net Worth Individual Portion and Retail Individual Investor Portion are individually referred to as “Portion” and collectively, referred to as “Portions”
Prospectus	The prospectus to be filed by our Company with the RoC, the Stock Exchanges and SEBI, in accordance with the provisions of the SEBI Debt Regulations and the Companies Act, 2013
Public Issue Account	Account opened with the Escrow Collection Bank(s) to receive monies from the Escrow Account(s) and the ASBA Accounts, on the Designated Date
QIB Portion	The portion of the Issue, constituting [●]% of the Issue which shall be available for allocation to Applicants falling under Category I
Record Date	Date falling 15 days prior to the relevant Coupon/Interest Payment Date on which interest amount or the Redemption Dates/Maturity Dates for each Series of Bonds on which the Maturity Amount is due and payable under the terms of the Prospectus. In the event that the Record Date falls on a Sunday or a holiday of Depositories, the succeeding Working Day or a date notified by the Company to the stock exchanges shall be considered as the Record Date
Redemption Amount or Maturity Amount	Amount repayable on the Bonds, comprising face value of the Bonds, together with coupon/interest accrued at the applicable coupon/interest Rate for each Series of Bonds on the respective Redemption Dates or Maturity Dates
Redemption Date or Maturity Date	The respective dates on which each Series of Bonds shall be redeemed and Redemption Amount shall be paid by our Company, at the end of the respective tenure of such Series of Bonds
Refund Account	Account opened with the Refund Bank from which Refunds, if any, of the whole or any part of the Application Amount shall be made to Applicants other than ASBA Applicants
Refund Bank	[●]
Register of Bondholders	Register of Bondholders maintained by the Issuer in accordance with the Companies Act and as detailed in “ <i>Terms of the Issue – Rights of Bondholders</i> ” on page 150
Registrar Agreement	Agreement dated September 4, 2015, entered into between our Company and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar to the Issue or Registrar	Karvy Computershare Private Limited
Retail Individual Investor Portion	The portion of the Issue, constituting 40.00% of the Issue which shall be available for allocation to Applicants falling under Category IV
SBICAP	SBICAP Capital Markets Limited
Self Certified Syndicate Banks or SCSBs	The banks registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 offering services in relation to ASBA, a list of which is available at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or such website as may be notified by SEBI from time to time. A list of the branches of the SCSBs where Application Forms will be forwarded by such members of the Syndicate is available at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Series of Bonds or Series	Series of Bonds, which are identical in all respects including but not limited to terms and conditions, listing and ISIN number (in the event that Bonds in a single Series of Bonds carry the same coupon/interest rate) and as further stated to be each, an individual Series in this Draft Prospectus
Specified Cities or Syndicate ASBA Locations	Application centres at Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat where the members of the Syndicate shall accept Application Forms under the ASBA process in terms of the SEBI Circular (No. CIR/CFD/DIL/1/2011), dated April 29, 2011
Stock Exchanges	BSE and NSE
Syndicate	Collectively, the Consortium Members, brokers and sub-brokers appointed in relation to the Issue
Syndicate ASBA	ASBA Applications through the members of the Consortium or Trading Members of the Stock Exchanges only in the Specified Cities

Tax-free	Tax-free in the context of the Issue refers to tax benefits under Section 10(15)(iv)(h) of the Income Tax Act
Trading Member	Intermediaries registered with a Broker or a Sub-Broker under the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 and/or with the Designated Stock Exchange under the applicable byelaws, rules, regulations, guidelines, circulars issued by the relevant Stock Exchanges from time to time
Tripartite Agreements	Tripartite agreement dated September 3, 2004 between our Company, CDSL and the Registrar to the Issue and the tripartite agreement dated July 16, 2004 between our Company, NSDL and the Registrar to the Issue
TRS	Transaction registration slip
Working Days	All days excluding Sundays or a holiday of commercial banks in New Delhi, except with reference to Issue Period, where Working Days shall mean all days, excluding Saturdays, Sundays and public holiday in India, except with reference to Record Date

Conventional and General Terms or Abbreviations

Term/Abbreviation	Description/Full Form
Additional CIT	Additional Commissioner of Income Tax
Alternative Investment Funds or AIFs	Alternative Investment Funds, as defined in and registered under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
Assistant CIT	Assistant Commissioner of Income Tax
Assistant CST	Assistant Commissioner of Sales Tax
BSE	BSE Limited
BTU	British Thermal Unit
CARE	Credit Analysis and Research Limited
CBDT	Central Board of Direct Taxes
CDSL	Central Depository Services (India) Limited
CESTAT	Central Excise and Sales tax Appellate Tribunal
Commissioner CEST (A)	Commissioner (Appeals), Customs, Central Excise and Service Tax
CIT (A)	Commissioner of Income Tax (Appeals)
Commissioner ST	Commissioner of Sales Tax
Companies Act 2013	Companies Act, 2013, to the extent notified by the MCA and in force as of the date of this Draft Prospectus
Companies Act 1956	Companies Act, 1956 to the extent not repealed, as of the date of this Draft Prospectus
Companies Act	Companies Act 2013 (to the extent in force) and the rules thereunder, and the Companies Act 1956 (to the extent not repealed) and the rules thereunder, each, as amended
CRISIL	CRISIL Limited
Debt Listing Agreement	The debt listing agreement entered into by our Company with BSE and NSE
Depository(ies)	CDSL and NSDL
Depositories Act	Depositories Act, 1996
Deputy CIT	Deputy Commissioner of Income Tax
DIN	Director identification number
DP/Depository Participant	Depository Participant, as defined under the Depositories Act
DRR	Debenture Redemption Reserve
DTC	Proposed Direct Taxes Code, as may be introduced in the Indian Parliament
ECB	External commercial borrowing
ERP	Enterprise Resource Planning
FIIIs	Foreign Institutional Investors (as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time) registered with the SEBI
Financial Year/fiscal/FY	Period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year
GoI or Government	Government of India
HUF	Hindu Undivided Family
ICRA	ICRA Limited
IFRS	International Financial Reporting Standards
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961
India	Republic of India
IRDA	Insurance Regulatory and Development Authority
ITAT	Income Tax Appellate Tribunal
JBIC	Japanese Bank for International Co-operation (now known as the Japanese International

Term/Abbreviation	Description/Full Form
	Co-operation Agency)
JMFC	Judicial Magistrate First Class
KYC	Know-your-customer
MF	Mutual Fund
MoC	Ministry of Coal, GoI
MoP	Ministry of Power, GoI
MCA	Ministry of Corporate Affairs, GoI
MICR	Magnetic Ink Character Recognition
NECS	National Electronic Clearing System
NEFT	National Electronic Fund Transfer
NRI	Non-Resident Indian
NRE	Non-Resident External Account
NRO	Non-Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
PAN	Permanent Account Number
PFI	Public Financial Institution, as defined under Section 2(72) of the Companies Act 2013
PIL	Public interest litigation
PPAs	Power purchase agreements
RBI	Reserve Bank of India
RIL	Reliance Industries Limited
RTGS	Real Time Gross Settlement
SEBI	Securities and Exchange Board of India
SEBI Debt Regulations	Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended
SEBI ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
Securities Act	United States Securities Act, 1933
SLP	Special leave petition
Supreme Court	Supreme Court of India
TDS	Tax deducted at source
VAT	Value added tax

Technical and Industry Related Terms

Term	Description
2014-19 Regulations	Tariff regulations issued by the CERC bearing No. L-1/144/2013/CERC for the period April 1, 2014 to March 31, 2019
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
DPE	Department of Public Enterprises, Ministry of Heavy Industries & Public Enterprises, Government of India
IPMCS	Integrated Project Management and Control System
IPP	Independent power producer
PCC	Pulverized Coal Combustion
SEB	State electricity board
GCV	Gross Calorific Value

Notwithstanding the foregoing, terms in “*Main Provisions of the Articles of Association*”, “*Statement of Tax Benefits*” on pages 179 and 55, respectively, and “*Annexure A - Financial Information*” on page 192, shall have the meanings given to such terms in these respective sections.

CERTAIN CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

Certain Conventions

All references in the Draft Prospectus to ‘India’ are to the Republic of India and its territories and possessions.

Financial Data

The audited standalone and consolidated reformatted financial statements of our Company as of and for the fiscal years ended March 31, 2015, 2014, 2013, 2012 and 2011 included in this Draft Prospectus have been prepared in accordance with the requirements of Schedule III of the Companies Act 2013 and the SEBI Debt Regulations. The statement of standalone unaudited financial results for the 3 (three) months ended June 30, 2015 included in this Draft Prospectus have been reviewed in accordance with the Standard on Review Engagements (SRE) 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity specified by the ICAI and standards on auditing issued by the Institute of Chartered Accountants of India.

In the Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All decimals have been rounded off to 2 decimal points.

Currently, the financial year of our Company commences on April 1 of the immediately preceding calendar year, and ends on March 31 of that particular calendar year; accordingly, all references to a particular ‘financial year’, ‘fiscal year’, ‘fiscal’ or ‘FY’, unless stated otherwise, are to the 12 month period commencing on April 1 of the immediately preceding calendar year and ending on March 31 of that particular calendar year.

The degree to which the financial statements included in the Draft Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in the Draft Prospectus should, accordingly, be limited.

Currency and Unit of Presentation

In the Draft Prospectus, references to ‘₹’, ‘Rs.’, ‘Indian Rupees’ and ‘Rupees’ are to the legal currency of India and references to ‘US\$’, ‘USD’, and ‘U.S. dollars’ are to the legal currency of the United States of America and references to ‘Euro’ and ‘€’ are to the legal currency of the European Union. All references to ‘JPY’ are to Japanese Yen, the legal currency of Japan.

Industry and Market Data

Any industry and market data used in the Draft Prospectus consists of estimates based on reports compiled by government bodies, professional organizations and other external sources available in the public domain. These publications generally state that the information they contain has been obtained from publicly available sources believed to be reliable, but it has not been independently verified by us, its accuracy and completeness is not guaranteed, and its reliability cannot be assured. Although our Company believes that the industry and market data used in the Draft Prospectus is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for purposes of presentation. Data from these sources may also not be comparable. The extent to which the industry and market data presented in the Draft Prospectus is meaningful depends on the reader’s familiarity with and understanding of the methodologies used in compiling such data.

Exchange Rates

The exchange rates of US\$, € and JPY as on June 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 are provided below:

Currency	Exchange Rate into ₹ as on June 30, 2015	Exchange Rate into ₹ as on March 31, 2015	Exchange Rate into ₹ as on March 31, 2014	Exchange Rate into ₹ as on March 31, 2013	Exchange Rate into ₹ as on March 31, 2012	Exchange Rate into ₹ as on March 31, 2011
1 US\$	63.75	62.59	60.10	54.39	51.16	44.65
1 €	71.20	67.51	82.58	69.54	68.34	63.24

Currency	Exchange Rate into ₹ as on June 30, 2015	Exchange Rate into ₹ as on March 31, 2015	Exchange Rate into ₹ as on March 31, 2014	Exchange Rate into ₹ as on March 31, 2013	Exchange Rate into ₹ as on March 31, 2012	Exchange Rate into ₹ as on March 31, 2011
100 JPY	52.07	52.11	58.83	57.76	62.43	54.02

* March 31, 2014 was a trading holiday and March 30, 2014 and March 29, 2014 were Sunday and Saturday, respectively; hence, exchange rates for the last working day of March 2014, i.e. March 28, 2014, have been used.

March 31, 2013 and March 30, 2013 were Sunday and Saturday, respectively, and March 29, 2013 was a holiday; hence, exchange rates for the last working day of March 2013, i.e. March 28, 2013, have been used.

^ March 31, 2012 was a trading holiday; hence, exchange rates for the last working day of March 2012, i.e., March 30, 2012, have been used.

Source: www.rbi.org.in

FORWARD-LOOKING STATEMENTS

Certain statements contained in the Draft Prospectus that are not statements of historical fact constitute 'forward-looking statements'. Investors can generally identify forward-looking statements by terminology such as 'aim', 'anticipate', 'believe', 'continue', 'could', 'estimate', 'expect', 'intend', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'seek,' 'should', 'will', 'would', or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All statements regarding our expected financial conditions, results of operations, business plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, revenue and profitability, new business and other matters discussed in the Draft Prospectus that are not historical facts. All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Important factors that could cause actual results to differ materially from our expectations include, among others:

- Our expansion and diversification plans are subject to a number of risks and uncertainties, which may result in an adverse effect on our business, financial condition and prospects.
- Power projects generally have long gestation periods, and subject us to various operational risks, which may result in an adverse effect on our business, financial condition and prospects.
- We have significant fuel requirements and may not be able to ensure availability of adequate fuel at competitive prices. Also, we may not be able to ensure availability of sufficient amounts of coal of the grade, quality and specifications that we require in order to operate our coal-based power stations, at commercially reasonable prices.
- The power sector in India is highly regulated. For instance, tariff regulations issued by the Central Electricity Regulatory Commission ("CERC"), may adversely affect our business, financial condition and prospects. Moreover, other regulatory matters and changes in applicable law and policy may adversely affect us.
- Our power purchase agreements ("PPAs") may expose us to certain risks that may affect our business, financial condition and prospects. Further, there is no assurance that we will be able to sell power outside the long term PPAs and this could have an adverse impact on our revenues.
- State utilities account for a significant portion of our sales of electricity generated from our directly owned power stations, and any change that adversely affects our ability to recover dues from them may adversely affect our financial position.
- We are involved in a number of legal proceedings that may be determined against us. Further, opposition from local communities may adversely affect our business.
- We have incurred significant indebtedness and may incur substantial additional borrowings in connection with our business.
- Failure to obtain or renew necessary regulatory approvals may adversely affect our business, financial condition and prospects.
- We are subject to various environmental, occupational, health and safety and other laws, which may subject us to increased compliance costs that may have an adverse effect on our business, financial condition and prospects.
- Our business, financial condition and prospects may be adversely affected if we are unable to take advantage of certain tax benefits or if there are adverse changes to the tax regime in the future.
- This Draft Prospectus includes certain unaudited standalone financial information, which has been subjected to limited review, in relation to our Company. Reliance on such information should, accordingly, be limited.
- Our Joint Statutory Auditors have included certain notes and matters of emphasis in their reports included in this Draft Prospectus, which should be considered carefully by prospective investors in the Issue.
- We have significant contingent liabilities, which may result in an adverse effect on our business, financial condition and prospects, to the extent that any such liabilities materialize.
- Inability to attract and retain, or appropriately replace, our key personnel and sufficient skilled workers may adversely affect our business, financial condition and prospects.
- Other factors discussed in the Draft Prospectus, including under "**Risk Factors**" on page 13.

Additional factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under "**Business**" and "**Material Developments**" on pages 62 and 128, respectively. Although our Company believes that the expectations reflected in such forward-looking statements

are reasonable as of the date of this Draft Prospectus, our Company cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our underlying assumptions prove to be incorrect, our actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

SECTION II - RISK FACTORS

You should carefully consider all the information in the Draft Prospectus, including the risks and uncertainties described below, and under “Business” on page 62 and “Annexure A - Financial Information” on page 192, before making an investment in the Bonds. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, financial condition and prospects. If any of the following or any other risks actually occur, our business, financial condition and prospects may be adversely affected and the price and value of your investment in the Bonds could decline such that you may lose all or part of your investment.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. The numbering of risk factors has been done to facilitate ease of reading and reference, and does not in any manner indicate the importance of one risk factor over another.

You should not invest in the Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your own tax, financial and legal advisors about the particular consequences of an investment in the Bonds.

Unless otherwise stated, our financial information used in this section is derived from our consolidated reformatted financial information for fiscal 2015, 2014, 2013, 2012 and 2011 prepared in accordance with accounting standards generally accepted in India, and our unaudited standalone financial information for June 30, 2015.

RISKS RELATING TO OUR BUSINESS

1. *Our expansion and diversification plans are subject to a number of risks and uncertainties, which may result in an adverse effect on our business, financial condition and prospects.*

Our growth strategy and expansion plans subject us to a number of considerations, including the following:

- Our ability to finance capital expenditure for expansion, including the management of new equipment and projects and the maintenance and upgradation of existing equipment and projects, is subject to a number of risks, contingencies and other factors, including interest rates, availability of loans and cost of borrowing.
- Our ability to procure fuel at prices and terms acceptable to us. In particular, estimates of coal reserves are subject to assumptions and, if the actual amounts of such reserves are less than estimated or if the quality of the coal reserves is lower than estimated or we are unable to commence planned captive coal mining activities for any other reason including de-allocation of mines by authorities, we may not be able to implement our expansion plans.
- Our ability to obtain licenses under the Electricity Act, 2003, including transmission licenses, distribution licenses and electricity trading licenses.
- Our ability to obtain licenses/consents/approvals under environmental laws (including mining laws) and labour, health and safety laws.
- Actual increases in demand for power as well as other services and products offered by us, such as our consultancy and other allied businesses, may not meet anticipated demand based on which we have planned our operations and growth for any given periods, or the success or sustainability of any of our growth plans may be adversely affected by other industry trends that we have been unable to correctly anticipate.
- Our ability to sell power is dependent upon the financial position of the various SEBs/Distribution companies of the states who may not purchase power which is costly in merit order or otherwise.
- There may be potential adverse short-term effects on operating results through increased costs or otherwise, such as change in regulatory norms etc.
- We may experience economic, political and social uncertainty or volatility in the diverse regions in which we currently operate or in which we plan to set up operation.
- We may face challenges associated with recruitment and retention of adequate skilled personnel as well as possible diversion of management time and focus and managing the realignment of our management and administrative resources.
- We may not be selected for projects that we may bid for in the future, including as a result of other

- entities being able to make a more competitive bid.
- We may face increasing competition going forward, including from private sector players, in our current as well as proposed business activities.
- Our plans may further be affected by litigations, adverse judicial rulings, change of law etc.

We also expect that the execution of our growth strategy and new power projects will place significant strains on our management, financial and other resources. Continued expansion increases the challenges involved in financial and technical management, recruitment, training and retaining sufficient skilled technical and management personnel, and developing and improving our internal administrative infrastructure. If we are unable to successfully implement our business plan and growth strategy, we may also be unable to meet the annual performance targets set by the Government pursuant to the annual Memorandum of Understanding which we enter into with the Government. Any of these factors may have an adverse effect on our business, financial condition and prospects.

In particular, as we seek to diversify our operations, including by way of forward and backward integration in the power sector and by way of diversifying our fuel mix, we may be subject to a number of additional risks. Any new business that we may enter into, may subject to a legal, regulatory, policy and business environment that we are not currently familiar with, or may pose significant challenges to our administrative, financial and operational resources. The early stages and long gestation periods of new businesses may make it difficult to predict their economic viability. Therefore, there is no assurance as to the timing and amount of any returns or benefits that we may receive from new business initiatives or new fuel sources that we are currently exploring or developing.

2. *Power projects generally have long gestation periods and subject us to various operational risks, which may result in an adverse effect on our business, financial condition and prospects.*

Power projects generally have long gestation periods, which may entail a significant period of time before the economic viability of a given project can be established and there may be substantial capital outflow before we are able to realize expected benefits or returns on our investment. Moreover, the construction, development or operation of our power projects, coal mines or other facilities may be disrupted or affected by various factors that may be beyond our control, including the following:

- Our ability to acquire land depends on its ownership status, the classification of land use and the willingness of owners to sell or lease their land. Acquisition of land may involve a number of difficulties relating to rehabilitation and resettlement and provision of adequate compensation to project affected people, while diversion of forest land would be subject to Government clearance.
- We depend on independent contractors for construction, installation, delivery and commissioning, as well as the supply and testing of key plant equipments and other non-core aspects of our business. We may only have limited control over the timing and quality of services, equipment or supplies provided by contractors as well as suppliers and vendors, and any failure or delay in performance by any such persons or entities could result in time and cost overruns for us.
- We may experience geological difficulties during the execution of construction projects, especially during the development of hydroelectric, oil and gas and coal mining projects. For example, during the execution of our construction projects, we may discover adverse rock strata or terrain, or trapped gases or trapped water and our plant designs may be unsuitable for dealing with such geology. These geological factors may result in costs and time overruns or cause us to determine that a planned project or expansion is no longer economically feasible.
- Mechanical failure and equipment shutdowns, explosions, fires, natural disasters such as cyclones and earthquakes, breakdown, failure or substandard performance of equipment, improper installation or operation of equipment, accidents, transmission or transportation interruptions, environmental disasters, significant social or political disruptions including terrorism and labour disputes or industrial action may significantly affect our operations.
- Non-availability of fuel of desired quantity and quality may significantly disrupt our operations or reduce our profitability.

If such operational difficulties occur, our ability to supply electricity to our customers or source fuel (coal, oil and gas) may be adversely affected. In the event any facility is significantly damaged or forced to shut down for a significant period of time, our business, financial condition and prospects may be adversely affected.

In particular, many of our power stations are ageing and may subject us to additional risks to the extent that we may be required to undertake renovation and modernization schemes involving significant capital expenditure.

3. ***We have significant fuel requirements and may not be able to ensure availability of adequate fuel at competitive prices. Also, we may not be able to ensure availability of sufficient amounts of coal of the grade, quality and specifications that we require in order to operate our coal-based power stations, at commercially reasonable prices.***

Availability of fuels at competitive prices is critical to our business. Fuel costs represent our largest expense. Although we purchase a significant part of our fuel requirements, particularly coal and gas, under long-term fuel supply agreements, there is no assurance that our suppliers will be able to satisfy their contractual commitments, particularly in relation to the grade and quality of coal that we may require for our operations, or that alternative sources of supply will be available to us on reasonable terms. In the event our contracted sources of fuel supply or other domestic sources of fuel supply (for instance, through short term purchase agreements or orders placed by us on the spot market) fall short for any reason including uncertainty in the domestic market regarding coal blocks allocation, or the grade, quality and specifications of fuel available for supply to us does not match our specifications and requirements, we may be required to explore alternative sources of fuel supply, including for import of fuels such as coal from other countries at prices that may be significantly higher than the prices at which we have historically sourced fuel for our power stations in the past.

Further, domestic coal and gas allocations and gas prices are currently determined by Government policy, while coal prices are contractually set, which limits our financial and operational flexibility to an extent. In the event that coal and gas supplies or gas prices in India were to be deregulated, there is no assurance that we will be able to obtain adequate supplies of coal and gas at competitive prices. Moreover, the availability and cost of fuels, including coal and gas, are subject to volatility in world commodity markets, the level of investment in exploitation of mine reserves in India and elsewhere, the quality and grade of coal and gas available in India and elsewhere, and other factors that may be beyond our control. Any constraints on sourcing adequate quantities of fuel at commercially reasonable costs, and of acceptable grade, quality or other specifications, may adversely affect our business, financial condition and prospects.

The domestic demand for coal is expected to increase significantly in the future, driven by significant capacity addition in the Indian power sector. High dependence on domestic coal could therefore expose us to potential price and availability risks. In the event of a shortage of coal, not only will the productivity of our coal-fired power stations be reduced but it will also hinder our expansion plans. We also source coal through bilateral short term memoranda of understanding, through imports and through e-auctions. However, there is no assurance that such sources of coal will continue to be available to us in the future at reasonable prices or terms or at all.

With respect to gas, our use has been limited in the past due to inadequate supply of domestic gas. We have arranged for the supply of re-liquefied natural gas through long- and short-term contracts to meet part of its requirements. The short-term RLNG contracts are agreed on a “reasonable endeavours” basis with no obligation on our part of such charges as “ship-or-pay” or “take-or-pay” and no supply or pay obligation on the part of the suppliers. However, due to high re-liquefied natural gas prices, the off-take of power by distribution companies and beneficiaries and, consequently, re-liquefied natural gas consumption has been low. If we experience a shortage in the supply of gas to our gas-fired power stations, the productivity of those power stations would be reduced. There is no assurance that we will be able to secure an adequate supply of gas for our current gas-fired power stations or future gas-fired projects. Our ability to secure adequate fuel supply for our Kawas and Gandhar projects may also be affected by our dispute with Reliance Industries Limited (“RIL”) on the sale and purchase agreement for gas supply for those projects.

Further, Ratnagiri gas power project, which is under operation with one of our joint venture company, Ratnagiri Gas and Power Private Limited, is facing shortage of domestic gas supply from KG-D6 block. Further, State of Maharashtra has not paid its fixed charges. Thus, gas shortage as well as non-payment by State of Maharashtra has severely impacted the solvency of the project.

For further details, please see “*Outstanding Litigation*” and “*Material Developments*” on pages 106 and 128.

4. ***The power sector in India is highly regulated. For instance, tariff regulations issued by the CERC, may adversely affect our business, financial condition and prospects. Moreover, other regulatory matters and changes in applicable law and policy may adversely affect us.***

Our businesses are regulated by the central and state governments in India, through a number of laws, rules, regulations and policies applicable to the power sector in India.

The CERC has issued the Tariff Regulations vide its notification No.L-1/144/2013/CERC dated 21.02.2014 (Regulations) applicable for the period from 01.04.2014 to 31.03.2019. The salient features of these Regulations relating to thermal power plants are discussed as under:

- Recovery of fixed charges allowed at normative annual plant availability factor (NAPAF) of 83% for all thermal plants till 31.03.2017. Thereafter, recovery of fixed charges will be allowed at NAPAF of 85%.
- Incentive on scheduled generation at the rate of ₹ 0.50 per unit for excess energy delivered beyond the normative annual PLF of 85%.
- Grossing up of Income Tax on Return on Equity to be done by grossing by actual effective tax rate.
- Coal based stations may opt to avail Special Allowance in lieu of renovation & modernization which has been increased to ₹ 7.5 lakh/MW/year w.e.f financial year 2014-15, thereafter escalated at the rate of 6.35% per annum.
- Water charges and capital spares have been excluded from the operation & maintenance expenses and allowed to the generators on actual basis.
- Sharing of savings in operational norms in the ratio of 60:40 between generator and beneficiaries has been introduced.
- Energy Charge shall be derived on the basis of the normative operational parameters, Gross Calorific Value (GCV) and landed fuel cost of the fuel for a generating station. GCV for the calculation of energy charge rate will be on ‘as received basis’.

The above regulations have negative impact on the profitability of the Company. Further, for the period beyond March 31, 2019, the nature of the tariff regulations may pose additional risks which presently are not foreseeable. The Company filed a writ petition in High Court challenging certain provisions of the Tariff Regulation 2014. Pending disposal of the petition, energy charges included in sales, in respect of the coal based stations, for the period upto July 2014 have been recognized in our financials based on the GCV ‘as received at the boiler end’ and thereafter on the GCV ‘as received at the secondary crusher’.

Moreover, the regulatory framework in India continues to evolve and there is a particular focus on increasing private participation in the future. Non-compliance with applicable laws and regulations may also lead to penalties, revocation of our permits and registrations, or costly litigation. Any significant legal or regulatory change or uncertainty in the power sector may adversely impact our business, financial condition and prospects.

5. ***Our PPAs may expose us to certain risks that may affect our business, financial condition and prospects. Further, there is no assurance that we will be able to sell power outside the long term PPAs and this could have an adverse impact on our revenues.***

Under our PPAs with our customers, which are generally state utilities, our profitability is largely a function of our ability to operate our power projects at optimal levels in accordance with minimum performance standards that may be determined from time to time by regulatory bodies and our ability to manage our costs. Any failure to meet such minimum performance standard or manage our costs may have an adverse effect on our business, financial condition and prospects. Further, the PPAs have inherent risks that may restrict our operational and financial flexibility. For example, long-term PPAs provide for sale of power to customers at tariffs and terms determined by the regulator. Accordingly, if there is an industry-wide increase in tariffs, we will not be able to take advantage of increased tariffs or negotiate satisfactory alternative off-take arrangements. These limitations affect our ability to enjoy the benefits of an increased tariff rate that our competitors selling power outside long-term PPAs may otherwise enjoy.

In addition, in the event that PPAs are terminated prematurely, or not renewed or not honoured or extended after the initial term expires and, if we are unable to enter into purchase agreements with other customers, this may have an adverse effect on our business, financial condition and prospects. Further, MOP has allowed us to sell power from our thermal plants which are over 25 years old after bundling with our upcoming solar capacity. We are not able to guarantee that we will be able to enter into PPAs with beneficiaries for selling power on bundled basis. Such agreements may create additional variability in our revenues and could expose our business to risks of market fluctuations in demand and price for power.

6. *Weak financial position of distribution companies adversely affects our ability to recover dues from them and poses an off take risk which may adversely affect our financial position.*

The distribution companies and State Electricity Boards (“SEBs”) have had weak credit histories in the past and continue to operate under financial constraints, due in part to the regulatory and policy constraints applicable to them in their respective states. Historically, we have had significant problems recovering payments from the SEBs, which, we believe, have been largely resolved due to Governmental intervention. However, any inability to adequately enforce such customers’ ability to honour their off-take obligations towards us, or the escrow, letter of credit or other arrangements entered into with the SEBs or any other change including the proposed/undertaken financial restructuring of various SEBs that adversely affects our ability to recover dues from the SEBs or other state utilities (for instance, due to state policy or regulatory requirements that the state utilities may be subject to, or other factors affecting the profitability, creditworthiness and operations of such entities) may adversely affect our business, financial condition and prospects.

Further, lack of schedules for off take of power given by the distribution companies due to their poor financial health will result in lower plant load factor (“PLFs”) and lower operational efficiencies.

7. *We are involved in a number of legal and other proceedings and claims that may be determined against us. Further, opposition from local communities may adversely affect our business.*

In the ordinary course of our business, we, as well as our Directors and officers, are subject to several legal, regulatory, arbitral and administrative proceedings and claims at various levels of investigation or adjudication. These proceedings may include criminal cases (including motor accident claims, fatal accident claims, dishonour of cheques, claims regarding theft of goods, petitions for revision enforcement or quashing of orders previously passed in relation to employment claims, etc.), public interest litigation (“PIL”), appeals against tariff orders of the CERC, civil suits, arbitral claims, taxes (including income and sales tax) and other statutory levies (including royalty claims), employment-related disputes, land-acquisition related disputes, environmental disputes, claims regarding alleged defect in title of properties, trespass and claims for premium, rental and other payments in respect of property owned, leased or otherwise used by us, etc. The total claim, financial implication or amount of contingent liability relating to such proceedings as on the date of this Draft Prospectus is not ascertainable, including due to the monetary claim against us not having been quantified in many instances, and may be substantial. An adverse decision in any such proceeding may have an adverse effect on our business, financial condition and prospects. There is also no assurance that similar proceedings will not be initiated against us in future. Further, should new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements, which could increase our expenses and liabilities.

In addition, the acquisition of land for our projects and related rehabilitation and resettlement requirements, as well as the construction and operation of our projects or our fuel diversification plans (including coal mining, hydroelectric, renewable or nuclear power projects), may face opposition from local communities or special interest groups due to the perceived negative impact such activities may have on the environment and community access to natural resources, or other specific factors from time to time. Significant opposition by local communities, special interest groups and other parties may delay project implementation, divert management focus and otherwise adversely affect our business, financial condition and prospects.

8. *We have incurred significant indebtedness and may incur substantial additional borrowings in connection with our business.*

We have substantial outstanding indebtedness including secured borrowings. As on June 30, 2015, our financial indebtedness, on a standalone basis stands at ₹ 85,771.96 crore. Our indebtedness and restrictions imposed on us under current or future loan arrangements may adversely impact our business, financial condition and prospects in various ways, including the following:

- We may be required to dedicate a significant portion of our cash flow towards repayment of debt, which will reduce availability of cash flow to fund working capital, capital expenditures, acquisitions and other general corporate requirements.
- We may be required to maintain certain financial ratios and satisfy certain financial or other covenants.
- As some of our borrowings are secured against our assets, lenders may sell or take over those assets to enforce their claims in the event of any default.
- We may be required to obtain approval from our lenders/trustees, regarding, among other things, reorganisation, amalgamation or merger, incurrence of additional indebtedness, disposition of assets and expansion of our business, and no assurance can be given that we will receive such approvals in a timely manner or at all.
- Our project costs may increase since we capitalize interest during the construction of our facilities.

Moreover, our ability to meet our debt service obligations and to repay outstanding borrowings will depend primarily upon the cash flow generated by our business over time, as well as our ability to tap the capital markets as a source of capital. If we fail to meet our debt service obligations or financial or other covenants under our financing documents, our lenders could declare default and cancel unutilized facilities, accelerate the maturity of our obligations or enforce security, which may have an adverse effect on our business, financial condition and prospects, particularly in the event cross-default under multiple financing arrangements is triggered. Further, in such event, the availability and cost of future borrowings may be negatively impacted, with consequences that may include increased finance charges, decreased income available to fund future growth, decreased working capital and imposition of restrictive covenants under financing arrangements.

For further details, see “*Description of Financial Indebtedness*” on page 93.

9. *Failure to obtain or renew necessary regulatory approvals may adversely affect our business, financial condition and prospects.*

In the ordinary course of our business, we as well as our independent contractors and counterparties, are required to obtain and, in several cases, renew, from time to time, various regulatory approvals, including, for instance, consents from the state pollution control boards in India to establish and operate our projects and other facilities and for appropriate handling of biomedical and other hazardous waste, discharge of waste water, as well as registrations with relevant tax and labour authorities in India. In particular, several of our environmental, electrical installation testing, wireless set and boiler-usage or gas-cylinder storage, height clearance, structural design and stability and other approvals across several of our projects may expire in the near future, and we have applied for or are in the process of applying for renewals or extensions of such approvals in due course.

Failure to obtain and maintain or renew required approvals and registrations may have an adverse effect on our business, financial condition and prospects. Further, such approvals and registrations may be subject to numerous conditions, including periodic reporting or audit requirements, which may require us to undertake substantial compliance-related expenditure and other procedures. Any actual or alleged non-compliance with specified conditions may result in suspension or cancellation of, or refusal to renew, required approvals and registrations or imposition of penalties, which may be significant, by the relevant authorities. A suspension, cancellation or refusal to extend required approvals and registrations may require us to cease production at some or all of our facilities or to engage in time-consuming and costly administrative and/or legal proceedings in order to resolve such issues, or may affect other aspects of our operations, which may have an adverse effect on our business, financial condition and prospects.

10. *Our Joint Statutory Auditors may have included certain notes and matters of emphasis in their reports on financial statements included in this Draft Prospectus, which should be considered carefully by prospective investors in the Issue.*

While there is no reservation, qualification or adverse remarks in the Joint Statutory Auditors' report on our standalone and consolidated financial statements as on and for the years ended March 31, 2015, 2014, 2013, 2012, and 2011 and the limited review for 3 (three) months ended June 30, 2015, our Joint Statutory Auditors have included certain notes and matters of emphasis in their reports, which should be considered carefully by prospective investors in the Issue.

11. We have significant contingent liabilities, which may result in an adverse effect on our business, financial condition and prospects, to the extent that any such liabilities materialize.

The contingent liabilities appearing in our consolidated financial statements, as on March 31, 2015, are summarized below:

(in ₹ crore)

Sl.	Nature of Claim	2014-15
1	Capital Works	8,127.22
2	Land compensation cases	314.30
3	Fuel Suppliers	567.22
4	Others (claims made by State/Central Government departments/Authorities)	896.34
5	Disputed Tax Matters	5,259.48
6	Others	914.22
Total		16,078.78

12. We are subject to various environmental, occupational, health and safety and other laws, which may subject us to increased compliance costs that may have an adverse effect on our business, financial condition and prospects.

Our operations are subject to central, state and local laws and regulations relating to the protection of the environment and occupational health and safety, including those governing the generation, handling, storage, use, management, transportation and disposal of, or exposure to, environmental pollutants or hazardous materials resulting from power projects as well as with respect to the utilization of fly ash produced in course of our generation and with respect to mining operations conducted in India. For instance, we require approvals under the Water (Prevention and Control of Pollution) Act, 1974 and the Air (Prevention and Control of Pollution) Act, 1981, in order to establish and operate our power projects, and will require prospecting licences and, subsequently, mining leases in order to commence prospecting and mining activities at the coal blocks allocated to us.

In addition, in the ordinary course, we are subject to several risks generally associated with power generation as well as coal mining, including explosions, fires, mechanical failures, accidents, discharges of toxic or hazardous substances or gases and other environmental risks. These hazards may cause personal injury and loss of life, environmental damage and severe damage to or destruction of property and equipment. We may incur substantial costs, including clean up or remediation costs, fines and civil or criminal sanctions, and third-party property damage or personal injury claims, as a result of violations of or liabilities under environmental or health and safety laws or actual or alleged noncompliance with permits or registrations required at our facilities, or the conditions imposed on us under such permits and registrations. Further, on the expiry or termination of any operating permits held by us, including any mining licences granted to us in the future, we may be required to incur significant costs to dismantle and decommission our operations and remove our equipment and installations at such sites.

Moreover, environmental and health and safety laws, regulations and policies, and the interpretation and enforcement thereof, are subject to change and have tended to become stricter over time. In particular, we expect that the GoI, as well as the governments of several nations worldwide, may be considering further measures to achieve a significant reduction in carbon and greenhouse gas emissions. Compliance with current and future environmental and health and safety laws, regulations and policies, particularly at older power stations, may require substantial capital expenditure. If we fail, or are alleged to have failed, to comply with such laws, regulations and policies, we may be subject to significant fines, penalties, costs, liabilities or restrictions on operations. In certain cases, we may also be required to become involved in costly and time-consuming legal or administrative proceedings in order to resolve any such allegations or claims that may arise against us, in relation to compliance with applicable environmental and health and safety laws, regulations and policies, which may adversely affect our business, financial condition and prospects.

13. *Our accounts are subject to audit by the Comptroller and Auditor-General of India and may be adversely affected by any adverse finding in the audit of the accounts.*

Section 143(6)(b) of the Companies Act, 2013 provides that the Comptroller and Auditor-General of India (“CAG”) shall, within sixty days from the date of receipt of the audit report, have a right to comment upon or supplement such audit report. In pursuance thereof, the CAG had conducted a supplementary audit of the consolidated and standalone financial statements of our Company for the financial year 2014-2015. Accordingly, it was noted that as per the provisions of the AS-10 of the Institute of Chartered Accountants of India, the expenditure incurred on enabling assets not owned by our Company should be charged off to revenue in the accounting period in which such expenditure was incurred. The Company, however, capitalized the expenditure incurred on assets not owned by the Company.

CAG has stated that booking of expenditure on enabling assets not owned by our Company under tangible assets and capital work in progress resulted in understatement of “expenses” by ₹ 167.99 crore, overstatement of “tangible assets” by ₹ 89.39 crore and “capital work in progress” by ₹ 78.60 crore on a consolidated basis, and understatement of “expenses” by ₹ 130.77 crore, overstatement of “tangible assets” by ₹ 54.40 crore, and “capital work in progress” by ₹ 76.37 crore, on a standalone basis. Consequently, profit of the Company for the fiscal 2015, on a consolidated basis, was found to be overstated by ₹ 167.99 crore and, on a standalone basis, by ₹ 130.77 crore.

While our Company has in its reply to CAG stated that the expenditure in respect of enabling assets not owned by our Company under tangible assets and capital work-in-progress represent expenditure incurred on roads, construction power lines, among others, which, in the view of the Company, are directly attributable to and necessary for the construction of the power projects, and to enable the Company to operate properly, there is no assurance that our submissions would be accepted.

Our Company could be subject to similar adverse findings in future which could have material adverse impact on our financial conditions, profitability, operations and profits.

14. *Our business, financial condition and prospects may be adversely affected if we are unable to take advantage of certain tax benefits or if there are adverse changes to the tax regime in the future.*

Section 80-IA of the Income Tax Act provides that, subject to certain conditions, 100.00% of the profits from projects for generation, distribution or transmission of power, which begin generation or distribution of power before March 31, 2017, are entitled for deduction from total income for 10 consecutive assessment years out of 15 years, beginning from the year in which the project commences power generation, transmission or distribution. If such or other tax benefits become unavailable, our financial condition, business and prospects may be adversely affected.

15. *This Draft Prospectus includes certain unaudited financial information in relation to our Company. Reliance on such information should, accordingly, be limited.*

This Draft Prospectus includes unaudited standalone financial results in relation to our Company, for the quarter ended June 30, 2015, in respect of which the Joint Statutory Auditors of our Company for the financial year 2014-15 have issued their Limited Review Report dated July 30, 2015. As this financial information has been subject only to limited review as required by the Stock Exchanges, in accordance with the equity listing agreement, and not subject to an audit, any reliance by prospective investors on such unaudited standalone financial information for the financial year 2014-15 should, accordingly, be limited. Moreover, our financial results for any given fiscal quarter or period, including the quarter ended June 30, 2015, may not be directly comparable with our financial results for any full fiscal or for any other fiscal quarter or period. Accordingly, prospective investors in the Issue are advised to read such unaudited standalone financial information for the quarter ended June 30, 2015 in conjunction with the audited financial information provided elsewhere in this Draft Prospectus in “*Annexure A - Financial Information*”.

16. *Inability to attract and retain, or appropriately replace, our key personnel and sufficient skilled workers may adversely affect our business, financial condition and prospects.*

Our success depends substantially on the continued service and performance of our senior management team and other key personnel, as well as on our skilled workforce. If we lose the services of any key individuals and are unable to find suitable replacements in a timely manner, our ability to realize strategic objectives may be impaired. Moreover, as we are a public sector undertaking, Government policies regulate and control emoluments and benefits that we pay to our employees, and such policies may not permit us to pay market rates. Consequently, private sector participants in power generation, coal mining, oil exploration and production and related activities may dilute the talent pool available to public sector undertakings. Also, since most of our operations lie in remote regions of India, we may face competitive disadvantages in attracting and retaining key personnel and skilled workers at various levels and positions across our organization.

17. *We may be adversely affected by strikes, work stoppages or increased wage demands or any other kind of disputes involving our work force. Further, Government announcements relating to increased wages for public sector employees will increase our expenses.*

We employ a significant number of employees and engage various contractors who provide us with labourers at our power projects. Most of our non-executive workers are unionized. Any shortage of skilled personnel or work stoppages caused by disagreements with our work force and the unions may have an adverse effect on our business, financial condition and prospects. Further, under Indian law, we may be required to absorb a portion of contract labour as our employees or we may be held responsible for wage payments, benefits and amenities to labour engaged by our independent contractors, should such contractors default on wage payments or in providing benefits and amenities. Moreover, being a public sector undertaking, we will be affected by any increase in prescribed employee pay scale and benefits on account of an announcement by the Government. The next revision of wage and benefits is due in fiscal 2017.

18. *We may encounter problems relating to the operations of our Joint Venture/Subsidiaries, which may result in an adverse effect on our business, financial condition and prospects.*

As on the date of this Draft Prospectus, our Company has formed 21 Joint Ventures for undertaking specific business activities, as well as 4 (four) subsidiaries out of which 2 (two) are wholly owned by our Company. Our Joint Ventures/Subsidiaries, present and future, as well as our obligations under any joint venture agreements, whether subsisting or future, may subject us to certain risks, including the following:

- Our joint venture partners may be unable or unwilling to fulfil their financial or other obligations to us, or may have economic or business interests or goals that are inconsistent with ours, or may take actions contrary to our instructions, requests, policies and objectives or actions that are not acceptable to regulatory authorities or may become involved in litigation with us or third parties or may have financial difficulties that may make it difficult for us to enforce our agreements with them.
- Some of our joint venture agreements prohibit us from, among other things, disposing of our shareholding in the Joint Ventures for specified periods or acquiring additional shares without the written consent of the other party. Such covenants may limit our ability to make optimum use of our investments or exit these joint venture companies at our discretion, which may have an adverse impact on our business, financial condition and prospects.
- We may withdraw from our JVs or subsidiaries if they are unable to operate in the desired manner to achieve the goals for which the same were set up.

19. *Our operations and expansion plans have significant water requirements and we may not be able to ensure regular and adequate availability of water.*

Water is a key input for hydroelectric and thermal power generation. Our operations and the proposed expansion of generation capacity will be dependent on, among other things, our ability to ensure unconstrained and undiminished availability of committed water supply from State Governments during the life cycle of the existing and planned power stations. Changing weather patterns and inconsistent rainfall and change in law can hamper water supply at our power stations. Although we create reservoirs to hold water to cover any temporary shortfall, these reservoirs do not have sufficient capacity to sustain supply to our power stations for extended periods of time.

We rely on water supply arrangements with certain State Governments and State Government bodies. Such water sources may run through several States and may be the subject of interstate water disputes.

Any interstate water disputes may affect the ability of these State Governments to supply water to us. Water is a limited and politically sensitive resource, and is carefully allocated by the State Governments for use between several groups of users. Accordingly, due to political pressures, State Governments may not fulfil their contractual obligations to us under these water supply agreements.

In the event of water shortages, our power projects may be required to reduce their water consumption, which would reduce their power generation capability, thereby adversely affecting our average PLF which could have an adverse affect on our business and financial conditions. Expansion of our generation capacity and the development of new power stations cannot be initiated unless we have regular and adequate availability of water and/or confirmation of water availability for these projects.

20. We have negative cash flows in investing and financing activities in recent periods.

We have had negative cash flows in investing and financing activities in recent periods. The following table sets forth, on a consolidated basis, certain information with respect to our historical negative cash flows in investing and financing activities in the periods indicated:

(In ₹ crore)

Particulars	Fiscal 2015	Fiscal 2014	Fiscal 2013
Net cash from operating activities	14,745.85	16,530.84	16,507.79
Net cash used in investing activities	(15,834.50)	(15,509.42)	(16,845.17)
Net cash used in financing activities	(1,474.50)	(2,709.06)	880.16
Net increase (decrease) in cash and cash equivalents	(2,563.13)	(1,687.45)	650.73

For further details, see “*Financial Information*” on page 192.

Negative cash flow over a long period and inability to generate and sustained positive cash flows in the future may adversely affect our business, results of operation and financial condition.

21. Our Company has not appointed the requisite number of independent directors and woman director on its Board.

Our Company being a Government Company, the power of appointment of Directors on the Board is vested with the President of India, acting through administrative ministry. Accordingly, our Company has not been able to maintain the minimum Board composition as required under the Companies Act, 2013 and the rules thereunder and the listing agreement. If the Stock Exchanges undertake any action against our Company including levying of penalties or if there is any communication with the regulatory agencies in that regard, it may have a material adverse effect on our reputation or profitability.

22. While we generate high levels of ash in our operations, our ash utilization activities may be insufficient to dispose of all the ash that we generate. Our power generation capacity may be adversely affected to the extent that we are unable to appropriately utilize ash generated for our operations as per stipulated laws and timelines.

In particular, our Company generates high levels of ash in its operations. There are limited uses for ash and therefore demand for ash is low. While we continue to explore methods to utilize or dispose of ash, our ash utilization activities are insufficient to dispose of the ash we generate. This may add to our capital expenditures and operating expenses. In certain cases where it may not be possible to increase our utilization of ash to comply with this requirement, we may need to reduce the generation of ash through a partial or full shutdown of our operating power stations, thereby reducing our average PLF which could have an adverse effect on our business, financial condition and prospects.

23. The interests of our Directors may cause conflicts of interest in the ordinary course of our business.

Conflicts of interest may arise in the ordinary course of decision making for our Company. Some of our non-Executive Directors and General Managers are also on the board of directors of certain companies which are engaged in businesses similar to our business. There is no assurance that our Directors will not

provide competing services or compete with our business in which we are already present or will enter into in future.

24. *Some of our immovable properties may have certain irregularities in title, which may adversely affect us.*

There may be certain irregularities in respect of our title to some of the land acquired for our various power stations as well as other properties owned by and leased to us, for instance, the title deeds may not have been properly executed or stamped or registered or lease agreements may have expired and not yet been renewed. In certain cases, the prescribed land acquisition procedures are yet to be completed and, accordingly, we do not yet have clear and absolute title to certain immovable properties. Further, in respect of certain immovable properties, we are involved in legal or regulatory proceedings that are pending before various courts and authorities in India and the total claim against us in such proceedings is not quantifiable. Further, a portion of the land acquired for our projects is subject to adverse possession. Failure to possess or repossess such land may adversely affect our business, financial condition and prospects.

25. *Inability to adapt to technological changes or disruptions to our technology platforms or business or communication systems may adversely affect us.*

Our success depends in part on our ability to respond to technological advances and emerging industry standards and practices on a cost-effective and timely basis. Changes in technology and costs of equipment and compliance, particularly as we continue to diversify into non-conventional energy sources, may require us to make significant additional capital expenditures to upgrade our facilities. If we are unable, for technical, legal, financial or other reasons, to identify and adapt in a timely and cost effective manner to technological changes and consequently evolving market conditions and customer requirements, our business, financial condition and prospects may be adversely affected. In addition, as we source hardware and software from third parties, there is no guarantee that there will not be any defects in these products, which may affect or disrupt our business.

26. *Our business involves numerous risks that may not be covered by insurance.*

While we maintain insurance cover that we believe to be consistent with industry practice, including a mega risk policy that is presently valid up to October 31, 2015 and which covers risks as to physical loss or damage and machinery breakdown including certain extensions to cover risks such as burglary, leakage and overflowing, fire fighting expenses, deliberate damage, removal of debris, subject to certain standard exclusions, exemptions and clarifications such as standard wear and tear and gradual deterioration of insured assets, the occurrence of any events that are not covered by our insurance, or any losses that are in excess of our insurance coverage or that may be claimed by us in the future but not honoured by our insurers for any reason, may have an adverse effect on our business, financial condition and prospects.

27. *The President of India acting through the MoP exercises a majority control in the Company, which enables it to influence the decision making process.*

As on June 30 2015, the President of India acting through the MoP holds 74.96% of the paid-up Equity Share capital of our Company which enables the Government of India to influence the outcome of any matter submitted to shareholders for their approval. Exercise of such influence by the Government of India may adversely affect the interests of the Company and its other shareholders which, in turn, could adversely affect the goodwill, operations and profitability of the Company.

28. *We may be adversely affected by changes in Government policy and shareholding.*

The President of India, acting through the MoP, owns 74.96% of our Company's paid-up capital as of June 30, 2015. While we generally manage our business on a daily basis with a high degree of financial and operational autonomy, in large part as a result of our 'Maharatna' status, Government ownership has been an important factor in many aspects of our business, including the settlement of electricity dues payable by the SEBs. Any pursuit of Government policies that are not in the interests of our Company, or the loss of 'Maharatna' status, or any significant change in Government shareholding in our Company could adversely affect our business, financial condition and prospects.

29. *Failure to protect intellectual property rights may adversely affect our business and prospects.*

We have not registered our trademark or that of our Subsidiaries and Joint Ventures. Consequently, we do not enjoy the statutory protections accorded to registered trademarks in India and may, in the event of a competing claim, be required to enter into expensive and prolonged litigation in order to establish or protect our use of such trademarks and other intellectual property.

30. *Risks relating to accelerated solar capacity addition*

The Company intends to add 10,000 MW to its capacity by way of renewable (solar) energy based power projects in future (“**Renewable Projects**”). The Company has signed a memorandum of understanding with Government of Andhra Pradesh for developing 1,000 MW solar photovoltaic project in a phased manner. For this purpose, the Government of Andhra Pradesh has identified 7,554.53 acres of land in Anantpur district.

The Issue proceeds are proposed to be utilised towards the first phase i.e. 250 MW of solar photovoltaic power project in Anantpur, Andhra Pradesh (“**Anantpur Project**” also referred to as “**Anantapuramu Ultra Mega Solar Project**”) and other renewable energy based power projects. The transmission and evacuation infrastructure for the Anantpur Project would be provided by the Government of Andhra Pradesh and is expected to be completed within a period of one-two years.

Any delay in completion of the project and readiness of associated power evacuation infrastructure is likely to result in an adverse impact on operations, business prospects and profitability of the Company. Additionally, the Renewable Projects are subject to other risks including higher tariffs as compared to conventional coal based plants and the associated offtake risk, determination of adverse tariff, technology risk, sub-optimal performance, parallel investment required from state agencies and central transmission utilities in infrastructure for evacuation of power, grid stability, regulations mandating forecasting and scheduling of solar power, non-availability of tax benefits and unfavourable ratings by distribution companies.

31. *Risks relating to trading of solar power under National Solar Mission*

Our Company has been designated as the nodal agency by the Government of India for selection of solar power developers for 15,000 MW grid-connected solar photovoltaic power plants to be developed under ‘National Solar Mission’ in a time span of 5 (five) years from the years 2014 - 2015 to 2018 - 2019 in three tranches. Our Company shall also be required to purchase solar power from these plants for further sale to state distribution companies.

Any default by state distribution companies in payment of dues on account of solar power generated or traded by the Company and foreign currency exchange rate variations or refusal to off-take solar power is likely to have an adverse impact on the balance sheet of the Company affecting the overall credit-risk.

32. *We have entered into certain transactions with related parties. Any transaction with related parties may involve conflicts of interest*

We have entered into transactions with several related parties. We can give no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operations. The transactions we have entered into and any future transactions with our related parties have involved or could potentially involve conflicts of interest.

For details regarding our related party transactions entered into by us as on March 31, 2015, please refer to “**Financial Information**” beginning on page 192.

33. *In addition to our Rupee borrowings and financial activities, we currently have foreign currency borrowings as well as financing activities, which are likely to continue or increase in the future, which will expose us to fluctuations in foreign exchange rates, which could adversely affect our financial condition.*

As at June 30, 2015, our aggregate foreign currency borrowings amounted to Rs 25,964.42 crore, comprising 30.27% of our aggregate borrowings as at that date. We may seek to obtain additional foreign currency borrowings in the future. We are therefore affected by adverse movements in foreign exchange rates. While we seek to hedge foreign currency exposures, there can be no assurance that our hedging policies and mechanisms will remain effective or that we will enter into effective hedging with respect to any new foreign currency borrowings. To the extent we increase our foreign currency borrowing in the future, we may be further exposed to fluctuations in foreign currency rates. Volatility in foreign exchange rates could adversely affect our business, prospects, results of operations and financial condition. Further, adverse movement of foreign exchange rates may also affect our borrowers negatively, which may in turn adversely affect the quality of our exposure to these borrowers.

34. *Failure or delayed updating of our Information Technology systems could significantly affect our business operations.*

Continued updating of our information technology systems commensurate with the nature and volumes of business operations is necessary. While, we have been upgrading our information technology systems, there can be no assurance that the new systems will be successfully integrated into our existing systems, that our employees can be successfully trained to utilise the upgraded systems, that the upgraded systems, if installed and operational, will not become quickly outdated or that the upgraded systems will bring about the anticipated benefits.

RISKS RELATING TO INDIA

35. *Economic, political or other factors beyond our control may have an adverse impact on our business, financial condition and prospects.*

The following external risks may have an adverse impact on our business, financial condition and prospects:

- slowdown in economic growth, especially in the power sector, may adversely affect our business, financial condition and prospects;
- decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy and an increase in interest rates may adversely impact the valuation of the Indian Rupee *vis-à-vis* foreign currencies, as well as our access to capital and borrowing costs, which may constrain our ability to grow our business and operate profitably;
- the Indian and global economies have had sustained periods of high inflation in the past. High inflation may increase our employee costs and decrease demand for power, which may have an adverse effect on our profitability and competitive advantage;
- a downgrade of India's sovereign rating by international credit rating agencies may adversely impact our access to capital and borrowing costs, which may constrain our ability to grow our business and operate profitably;
- political instability, resulting from a change in government or in economic and fiscal policies, may adversely affect economic conditions and our own operations;
- natural disasters such as cyclones and earthquakes may disrupt our operations or adversely affect the economy, on the health of which our business depends;
- civil unrest, terrorist attacks, regional conflicts or situations of war may adversely affect the financial markets and our own operations; and
- availability and reliability of transport and telecommunications infrastructure, particularly in India, may affect our business, financial condition and prospects, including in terms of impacting our cost of fuel and profit margins, as well as the expected schedule of commissioning of our projects under construction.

36. *Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect our business, financial condition and prospects.*

The regulatory and policy environment in which we operate is evolving. Such changes, including the instances mentioned below, may adversely affect our business, financial condition and prospects, to the extent that we are unable to suitably respond to and comply with such changes in applicable law and policy:

- The Companies Act 2013 has been notified and it envisages significant changes, including on issue of capital, corporate governance, audit and corporate social responsibility.
- The GoI proposes to revamp implementation of direct taxes through a Direct Taxes Code (“DTC”). If the DTC is enacted and notified, the tax impact on the Company may be altered.
- The GoI has proposed a national goods and services tax (“GST”) regime to combine taxes and levies by the central and state governments into a unified rate structure.

Uncertainty in applicability, interpretation or implementation of any change in governing law or policy, including by reason of an absence or limited body of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact our business and prospects.

37. *Our ability to raise capital outside India may be constrained by Indian law.*

As an Indian company, the Issuer is subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit the Issuer’s financing sources for power projects under development and future investment plans and could constrain its ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, no assurance can be given that the required approvals will be granted to the Issuer without onerous conditions, or at all. The limitations on foreign debt may have an adverse effect on the business growth, financial condition and results of operations of the Issuer.

38. *The effects of the planned convergence with IFRS and the adoption of “Indian Accounting Standards converged with IFRS” (IND-AS) are uncertain.*

In exercise of the powers conferred by Section 133 read with Section 469 of the Companies Act, 2013, the Central Government, in consultation with the National Advisory Committee on Accounting Standards had notified the Companies (Indian Accounting Standards) Rules, 2015 commonly referred to as Ind AS. As per the said Rules, Ind AS are to be implemented voluntarily w.e.f. FY 2015-16 and mandatorily w.e.f. FY 2016-17. Further, it has been specified that once a company starts following the Ind AS either voluntarily or mandatorily on the basis of criteria specified, it shall be required to follow the Ind AS for all the subsequent financial statements even if any of the criteria specified does not subsequently apply to it. We plan to follow Ind AS for the accounting periods beginning 1st April 2016, with the comparative figures for the preceding accounting period ending on 31st March 2016.

The Issuer has not determined with any degree of certainty the impact that such adoption will have on its financial reporting. Therefore, there can be no assurance that the Issuer’s financial condition, results of operations, cash flows or changes in shareholders’ equity will not appear materially worse under Ind-AS than under current Indian GAAP. In the Issuer’s transition to Ind-AS reporting, the Issuer may encounter difficulties in the ongoing process of implementing and enhancing its management information systems. Moreover, there is increasing competition for the small number of experienced accounting personnel familiar with IFRS accounting standards as more Indian companies begin to prepare Ind-AS financial statements. There can be no assurance that the Issuer’s adoption of Ind-AS will not adversely affect its reported results of operations or financial condition.

39. *Our ability to invest in overseas Subsidiaries and Joint Ventures may be constrained by Indian and foreign laws.*

RBI issues guidelines, from time to time, for Overseas Direct Investment in JV’s and wholly subsidiaries imposing certain restrictions on investments. Our failure to comply with these guidelines may hamper our investment plans. In addition, there are certain routine procedural and disclosure requirements in relation to any such overseas direct investment. These limitations may constrain our ability to acquire or increase our stake in overseas entities as well as to provide other forms of financial support to such entities, which may adversely affect our growth strategy and prospects.

RISKS RELATING TO INVESTMENT IN THE BONDS

40. *We are required to create a debenture redemption reserve (DRR) equivalent to 25% of the value of the NCD offered through this Issue out of profits available for distribution of dividends. In the absence of sufficient profits, we may not be able to transfer adequate amounts to the DRR.*

Sub rule 7 of Rule 18 of the Companies (Share Capital and Debenture) Rules, 2014 read with Section 71 of the Act states that any company that intends to issue debentures must create a DRR to which adequate amounts shall be credited out of the profits of the company available for payment of dividend until the debentures are redeemed. The quantum of DRR to be created before the redemption liability actually arises in normal circumstances should be 'adequate' which has been prescribed to be 25% of the value of debentures issued through public issue. As further clarified by the DRR Circular, the amount to be credited as DRR will be carved out of the profits of the Company only and there is no obligation on the part of the Company to create DRR if there is no profit or no adequate profit for the year to pay dividends for the particular year. Accordingly, if we are unable to generate adequate profits, the DRR created by us may not be adequate to meet the 25% of the value of the NCDs issued.

41. *There has been only a limited trading in the bonds of such nature and the price of the Bonds may be volatile subject to fluctuations.*

The Bonds have no established market and there is no assurance that an active public market for these Bonds will develop or be sustained. Further, the liquidity and price of the Bonds may vary with changes in market and economic conditions, our financial condition and other factors that may be beyond our control.

42. *There is no guarantee that the Bonds will be listed on the Stock Exchange(s) in a timely manner or at all, or that monies refundable to Applicants will be refunded in a timely manner.*

In accordance with Indian law and practice, approval for listing and trading of the Bonds will not be granted until after the Bonds have been Allotted. While we will use best efforts to ensure that all steps for completion of the necessary formalities for Allotment, listing and commencement of trading on the Stock Exchange(s) are taken within the time prescribed by SEBI or applicable law, there may be a failure or delay in listing the Bonds on the Stock Exchange(s). We cannot assure you that any monies refundable on account of (a) withdrawal of the Issue, or (b) failure to obtain final approval from the Stock Exchange(s) for listing of the Bonds, will be refunded in a timely manner. We shall, however, refund any such monies, with interest due and payable thereon, as prescribed under applicable law.

43. *You may not be able to recover, on a timely basis or at all, the full value of outstanding amounts on the Bonds.*

Our ability to pay interest accrued and the principal amount outstanding from time to time in connection with the Bonds is subject to various factors, including our financial condition, profitability and the general economic conditions in India and in the global financial markets. Although we have undertaken to ensure at least 100.00% asset cover for the Bonds, the realizable value of secured assets may be lower than the sum of the outstanding principal and interest accrued in connection with the Bonds.

44. *Changes in interest rates may affect the price of the Bonds.*

Securities where a fixed rate of interest is offered, such as the Bonds, are subject to price risk. The price of such securities will vary inversely with changes in prevailing interest rates, i.e., when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the coupon rate, days to maturity and increase or decrease in prevailing interest rates. Increased rates of interest, which may accompany inflation and/or a growing economy, may have a negative effect on the price of the Bonds.

45. *A downgrade in credit rating of the Bonds may affect the price of the Bonds.*

The Bonds are rated by ICRA, CRISIL, and CARE and have been assigned AAA ratings. For details, see "Annexure B: Credit Ratings" on pages 811, 818, and 823, respectively. We cannot guarantee that this rating will not be downgraded, suspended or withdrawn at any time during the tenor of the Bonds. Any downgrade, suspension or withdrawal in the credit rating on the Bonds may lower the price of the Bonds.

46. *The Bonds are eligible for tax benefits under Section 10(15)(iv)(h) of the Income Tax Act, only up to the amount of interest on the Bonds*

The Bonds are classified as 'tax-free' in terms of Section 10(15)(iv)(h) of the Income Tax Act and the CBDT Notification only as to the amount of interest on the Bonds and not the amount of investment in the Bonds, and is further subject to other applicable provisions of the Income Tax Act and the CBDT Notification including disallowing of tax free interest on the Bonds.

47. *Payments on the Bonds will be subordinated to certain tax and other liabilities preferred by law.*

Pursuant to Regulation 16 of the SEBI Debt Regulations and the Companies (Share Capital and Debentures) Rules, 2014, "For other companies including manufacturing and infrastructure companies, the adequacy of DRR will be 25% of the value of debentures issued through public issue as per present SEBI (Issue and Listing of Debt Securities), Regulations 2008 and also 25% DRR is required in the case of privately placed debentures by listed companies." Accordingly, we are presently required to create DRR of at least 25% of the value of Bonds and to credit amounts to the DRR from our profits every year until the Bonds are redeemed. The maintenance of such DRR may be modified in the future in the event of any change in applicable law. However, payment on the Bonds will be subordinated to certain liabilities preferred by law, such as claims of the GoI on account of taxes, and certain liabilities incurred in the ordinary course of our business. In an event of default in excess of the DRR, in particular, in an event of bankruptcy, liquidation or winding-up, our assets will be available to meet payment obligations on the Bonds only after all liabilities that rank senior to the Bonds have been paid and, in such event, there may not be sufficient assets remaining, after paying amounts relating to these claims, to pay amounts due on the Bonds.

SECTION III - INTRODUCTION

THE ISSUE

The following is a summary of the terms of the Bonds. This section should be read in conjunction with, and is qualified in its entirety by, more detailed information in “*Terms of the Issue*” on page 141.

COMMON TERMS AND CONDITIONS FOR ALL SERIES OF THE BONDS				
Lead Managers	A. K. Capital Services Limited (“ AK Capital ”), Axis Capital Limited (“ Axis ”), Edelweiss Financial Services Limited (“ Edelweiss ”) and SBI Capital Markets Limited (“ SBICAP ”)			
Issuer	NTPC Limited			
Type of instrument/Issue of Bonds/Issue Size	<p>Public issue by our Company of tax-free secured redeemable non-convertible Bonds of face value of ₹ 1,000 each in the nature of debentures having tax benefits under Section 10(15)(iv)(h) of the Income Tax Act, for an amount of ₹ 400 crore with an option to retain oversubscription of up to ₹ 300 crore for issuance of additional bonds aggregating to a total of up to ₹ 700* crore during fiscal 2016.</p> <p><i>* In terms of the CBDT Notification, our Company has been authorised to issue tax free secured redeemable non-convertible bonds for an amount of ₹ 1,000 crore during the fiscal 2016 of which at least 70.00% of aggregate amount of bonds is to be raised through public issue . Accordingly, our Company has already issued tax-free secured redeemable non-convertible bonds amounting to ₹ 300 crore being 30.00% of the Allocated Amount by way of private placement and now plans to raise the balance ₹700 crore through this issue. Our Company shall ensure that bonds issued pursuant to the CBDT Notification through public issue route and private placement route in fiscal 2016 shall, in aggregate, not exceed ₹1,000 crore</i></p>			
Face Value (₹) per Bond	₹ 1,000			
Issue Price (₹) per Bond	₹ 1,000			
Minimum Application and in the multiple of thereafter	5 Bonds (₹ 5,000) (individually or collectively, across all Series of Bonds) and in the multiple of One Bond (₹ 1,000) thereafter			
Nature of Bonds	Tax-free secured redeemable and non-convertible			
Nature of Indebtedness and Ranking/Seniority	The claims of the Bondholders shall be superior to the claims of any unsecured creditors of our Company and subject to applicable statutory and/or regulatory requirements, rank <i>pari passu inter se</i> to the claims of other secured creditors of our Company having the same security.			
Mode of Issue	Public issue			
Minimum Subscription	None			
Eligible Investors	Category I/QIBs[#] <ul style="list-style-type: none"> • PFIs as defined in Section 2(72) of the Companies Act 2013; • Alternative Investment Funds, as defined in and registered under the SEBI (Alternative Investment Funds) Regulations, 2012 (“Alternative Investment Funds” or “AIFs”); • Venture Capital Funds registered with SEBI; • Scheduled commercial banks; 	Category II/Corporates[#] <ul style="list-style-type: none"> • Companies falling within the meaning of Section 2(20) of the Companies Act 2013; and • Limited liability partnerships, statutory corporations, trusts, partnership firms in the name of their respective partners, associations of persons, co-operative banks, regional rural banks, societies registered under the applicable laws in India and 	Category III/HNIs <p>Investors falling under the following categories applying for an amount aggregating to more than ₹ 10 lakh across all Series of Bonds in the Issue:</p> <ul style="list-style-type: none"> • Resident Individual Investors; • Non-resident Indians (“NRIs”) applying on a non-repatriation basis only; and • Hindu Undivided Family (“HUF”) applying in the name of their respective kartas. 	Category IV/Retail Individual Investors <p>Investors falling under the following categories applying for an amount aggregating up to and including ₹ 10 lakh across all Series of Bonds in the Issue:</p> <ul style="list-style-type: none"> • Resident Individual Investors; • NRIs applying on a non-repatriation basis only; and • HUF applying in the name of their respective kartas.

COMMON TERMS AND CONDITIONS FOR ALL SERIES OF THE BONDS	
	<ul style="list-style-type: none"> • Mutual funds (“MFs”) registered with SEBI; • State industrial development corporations; • Insurance companies registered with the Insurance Regulatory and Development Authority (“IRDA”); • Provident funds with a minimum corpus of ₹ 25 crore; • Pension funds with a minimum corpus of ₹ 25 crore; • The National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India; • Insurance funds set up and managed by the army, navy, or air force of the Union of India; and • Insurance funds set up and managed by the Department of Posts, India, <p>subject to such being authorized to invest in the Bonds.</p>
	<p>other legal entities constituted and/or registered under applicable laws in India,</p> <p>that are authorized to invest in Bonds by their respective constitutional and/or charter documents, subject to compliance with respective applicable laws.</p>
	<p># See general circular (No. 6/2015), dated April 9, 2015 issued by the MCA clarifying that in cases where the effective yield (effective rate of return) on tax free bonds is greater than the prevailing yield of one year, three year, five year or ten year government security closest to the tenor of the loan, there is no violation of Section 186(7) of the Companies Act, 2013.</p>
Pay-in Date	Application Date. Full amount with the Application Form, except ASBA Applications. See “ Issue Procedure – Payment Instructions ” on page 169.
Listing	The Bonds are proposed to be listed on BSE and NSE, with the BSE being the Designated Stock Exchange. For more information, see “ Terms of the Issue – Listing ” on page 151
Credit Ratings	[ICRA] AAA (Stable) by ICRA, CRISIL AAA by CRISIL [^] , CARE AAA (Triple A) by CARE. See “ Annexure B – Credit Rating ”.
Objects of the Issue and Utilisation of Proceeds	See “ Objects of the Issue ” on page 52.
Security	See “ Terms of the Issue - Security ” on page 141.
Asset Cover	See “ Terms of the Issue - Security ” on page 141.
Nature of Indebtedness and Ranking/Seniority	See “ Terms of the Issue – Ranking of the Bonds ” on page 152.
Put/Call	None
Mode of Issuance	In dematerialized form only*
Bond Trustee	IDBI Trusteeship Services Limited
Mode of Trading	In dematerialized form only*

COMMON TERMS AND CONDITIONS FOR ALL SERIES OF THE BONDS															
Registrar to the Issue	Karvy Computershare Private Limited														
Modes of Payment/Settlement Mode	See “ <i>Terms of the Issue – Manner and Modes of Payment</i> ” on page 148.														
Market Lot/Trading Lot	One Bond														
Deemed Date of Allotment	The date on which the Board approves the Allotment of Bonds for the Issue or such date as may be determined by the Board and notified to the Designated Stock Exchange. All benefits accruing in relation to the Bonds including interest on Bonds shall be available from Deemed Date of Allotment. Actual Allotment of Bonds may occur on a date later than Deemed Date of Allotment														
Record Date	See “ <i>Terms of the Issue – Record Date</i> ” on page 149.														
Working Day Convention/Day Count	See “ <i>Terms of the Issue – Payment of Interest on the Bonds</i> ” on page 145.														
Transaction Documents	<p>Documents/undertakings/agreements entered, or to be entered, into by our Company with Lead Managers and/or other intermediaries for the purpose of this Issue, including but not limited to the following.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 30%;">Bond Trust Deed</td> <td>Trust Deed entered/to be entered into between the Bond Trustee and our Company within the prescribed timelines</td> </tr> <tr> <td>Bond Trustee Agreement</td> <td>Bond Trustee Agreement dated September 4, 2015, entered into between the Bond Trustee and our Company</td> </tr> <tr> <td>Escrow Agreement</td> <td>Agreement dated [●] entered into by our Company, the Registrar to the Issue, the Lead Managers and the Escrow Collection Bank(s)</td> </tr> <tr> <td>Issue Agreement</td> <td>The agreement dated September 4, 2015, entered into between our Company and the Lead Managers</td> </tr> <tr> <td>Consortium Agreement</td> <td>Consortium Agreement dated [●] entered into between our Company and the Consortium Members</td> </tr> <tr> <td>Registrar Agreement</td> <td>Agreement dated September 4, 2015, entered into between our Company and the Registrar to the Issue</td> </tr> <tr> <td>Tripartite Agreements</td> <td>Tripartite agreement dated September 3, 2004 between our Company, Central Depository Services (India) Limited (“CDSL”) and the Registrar to the Issue and the tripartite agreement dated July 16, 2004 between our Company, National Securities Depository Limited (“NSDL”) and the Registrar to the Issue</td> </tr> </table>	Bond Trust Deed	Trust Deed entered/to be entered into between the Bond Trustee and our Company within the prescribed timelines	Bond Trustee Agreement	Bond Trustee Agreement dated September 4, 2015, entered into between the Bond Trustee and our Company	Escrow Agreement	Agreement dated [●] entered into by our Company, the Registrar to the Issue, the Lead Managers and the Escrow Collection Bank(s)	Issue Agreement	The agreement dated September 4, 2015, entered into between our Company and the Lead Managers	Consortium Agreement	Consortium Agreement dated [●] entered into between our Company and the Consortium Members	Registrar Agreement	Agreement dated September 4, 2015, entered into between our Company and the Registrar to the Issue	Tripartite Agreements	Tripartite agreement dated September 3, 2004 between our Company, Central Depository Services (India) Limited (“CDSL”) and the Registrar to the Issue and the tripartite agreement dated July 16, 2004 between our Company, National Securities Depository Limited (“NSDL”) and the Registrar to the Issue
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Issue Opening Date	[●]														
Issue Closing Date	[●]. The Issue shall remain open for subscription from 10.00 A.M. to 5.00 P.M. (Indian Standard Time) during the Issue Period with an option for early closure or extension, as may be decided by the Board or an authorised representative of the Board														
Interest on Application Amount	See “ <i>Terms of the Issue-Interest on Application and Refund Money</i> ” on page 146														
Default Interest Rate	To be specified in the Prospectus														
Redemption Premium/Discount	Nil														
Conditions precedent/subsequent to disbursement	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions precedent/subsequent to disbursement. See “ <i>Terms of the Issue - Utilisation of Issue Proceeds</i> ” on page 152														
Event of Default	See “ <i>Terms of the Issue</i> ” on page 141														
Cross Default	Not applicable														
Roles and Responsibilities of Bond Trustee	See “ <i>Terms of the Issue- Bond Trustee</i> ” on page 151														
Discount at which Bond is issued and the effective yield as a result of such discount	None														
Governing Law	Laws of the Republic of India														
Jurisdiction	The courts of New Delhi will have exclusive jurisdiction for the purposes of the Issue.														
Coupon/Interest Payment Dates	See “ <i>Terms of the Issue – Payment of Interest on the Bonds</i> ” on page 145.														
Coupon/Interest Reset Process	None														

COMMON TERMS AND CONDITIONS FOR ALL SERIES OF THE BONDS	
Frequency of Coupon/Interest Payment	Annual
Step-up/Step-down Coupon Rate	Nil
Depositories	NSDL and CDSL
Redemption Amount	Amount repayable on the Bonds, comprising the face value of the Bonds, together with coupon/interest accrued at the applicable coupon/interest rate for each Series of Bonds on the respective Redemption Dates or Maturity Dates
Coupon/Interest Type	Fixed coupon rate

* In terms of Regulation 4(2) (d) of the SEBI Debt Regulations and Section 29(1) of the Companies Act, 2013, our Company will make the public issue of the Bonds in the dematerialized form only.

Participation by any prospective investor in the Issue shall be subject to applicable statutory/regulatory requirements. Applicants are advised to ensure that the Applications made by them do not exceed the maximum permissible investment limits applicable to them. Applicants are advised to obtain the necessary statutory/regulatory permits, consents or approvals requisite in connection with Applying for, subscribing to or seeking Allotment of Bonds pursuant to the Issue. For specific terms of each Series of Bonds, see “**Issue Structure - Specific Terms and Conditions for each Series of Bonds**” on page 139.

IDBI Trusteeship Services Limited has by its letter dated September 9, 2015, given its consent for its appointment as Bond Trustee to the Issue and for its name to be included in this Draft Prospectus and in all the subsequent periodical communications sent to the Bondholders pursuant to this Issue.

A copy of the Prospectus shall be filed with the RoC, along with the requisite endorsed/certified copies of all requisite documents. For more information, see “**Material Contracts and Documents for Inspection**” on page 190.

SELECTED FINANCIAL INFORMATION

The following selected financial information is extracted from, and should be read in conjunction with, our financial statements included in “Annexure A - Financial Information”. Further, for details regarding our standalone unaudited financial results for the quarter ended June 30, 2015, see “Annexure -Financial Information”.

STANDALONE REFORMATTED STATEMENT OF ASSETS AND LIABILITIES

Particulars	₹ Crore				
	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	8,245.46	8,245.46	8,245.46	8,245.46	8,245.46
Reserves and surplus	73,411.89	77,569.86	72,142.05	65,045.71	59,646.79
	81,657.35	85,815.32	80,387.51	73,291.17	67,892.25
Deferred revenue	1,394.15	1,609.88	1,244.05	1,430.06	854.48
Non-current liabilities					
Long-term borrowings	78,532.33	62,405.75	53,253.66	45,908.27	39,735.68
Deferred tax liabilities (net)	979.07	1,051.61	915.30	636.90	602.95
Other long-term liabilities	2,886.59	2,512.46	1,969.84	1,729.06	2,050.58
Long-term provisions	1,115.71	879.36	739.92	603.70	561.90
	83,513.70	66,849.18	56,878.72	48,877.93	42,951.11
Current liabilities					
Trade payables	5,953.15	6,429.60	5,132.39	4,460.65	4,070.65
Other current liabilities	16,807.62	11,547.60	10,469.25	9,537.24	7,762.50
Short-term provisions	7,758.75	7,302.60	7,004.54	3,233.69	2,207.89
	30,519.52	25,279.80	22,606.18	17,231.58	14,041.04
TOTAL	197,084.72	179,554.18	161,116.46	140,830.74	125,738.88
ASSETS					
Non-current assets					
Fixed assets					
Tangible assets	78,586.91	71,865.86	62,687.42	45,044.47	39,026.93
Intangible assets	262.16	244.97	248.68	211.89	206.89
Capital work-in-progress	56,463.11	44,886.74	37,109.40	41,827.80	35,495.29
Intangible assets under development	30.38	1.93	0.02	0.06	0.04
Non-current investments	7,154.07	8,120.90	9,137.64	9,583.92	10,532.84
Long-term loans and advances	15,527.89	12,777.26	9,633.41	5,394.35	6,519.86
Other non-current assets	1,696.77	1,786.77	1,491.19	1,371.88	459.15
	159,721.29	139,684.43	120,307.76	103,434.37	92,241.00
Current assets					
Current investments	1,878.06	1,636.96	1,622.46	1,622.46	1,812.00
Inventories	7,453.00	5,373.35	4,057.19	3,702.85	3,639.12
Trade receivables	7,604.37	5,220.08	5,365.00	5,832.51	1,434.96
Cash and bank balances	12,878.81	15,311.37	16,867.70	16,141.83	16,181.60
Short-term loans and advances	2,407.59	3,116.04	1,745.57	1,543.32	1,219.85
Other current assets	5,141.60	9,211.95	11,150.78	8,553.40	9,210.35
	37,363.43	39,869.75	40,808.70	37,396.37	33,497.88
TOTAL	197,084.72	179,554.18	161,116.46	140,830.74	125,738.88

STANDALONE REFORMATTED STATEMENT OF PROFIT AND LOSS

₹ Crore

Particulars	For the year ended				
	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Revenue					
Revenue from operations (gross)	73,915.69	72,644.02	66,263.35	62,609.41	55,340.66
Less: Electricity duty	669.64	625.09	526.31	428.65	278.01
Revenue from operations (net)	73,246.05	72,018.93	65,737.04	62,180.76	55,062.65
Other income	2,116.32	2,645.68	3,019.52	2,786.02	2,343.22
Total revenue	75,362.37	74,664.61	68,756.56	64,966.78	57,405.87
Expenses					
Fuel	48,845.19	45,829.71	41,018.25	41,635.46	35,373.78
Employee benefits expense	3,669.78	3,824.78	3,316.71	3,140.54	2,832.28
Finance costs	2,743.62	2,406.59	1,924.36	1,711.64	1,420.96
Depreciation and amortization expense	4,911.65	4,142.19	3,396.76	2,791.70	2,485.69
Generation, administration & other expenses	4,979.31	4,543.85	4,235.68	3,674.86	4,882.28
Prior period items (net)	(333.83)	12.84	(29.72)	(313.58)	(1,638.72)
Total expenses	64,815.72	60,759.96	53,862.04	52,640.62	45,356.27
Profit before tax and exceptional items	10,546.65	13,904.65	14,894.52	12,326.16	12,049.60
Exceptional items	-	-	1,684.11	-	-
Profit before tax	10,546.65	13,904.65	16,578.63	12,326.16	12,049.60
Tax expense					
Current tax	326.44	2,793.60	3,680.84	3,068.48	2,553.32
Deferred tax	888.75	136.31	278.40	33.95	393.69
Less:					
Deferred asset for deferred tax liability	959.40	-	-	-	-
Total tax expense	255.79	2,929.91	3,959.24	3,102.43	2,947.01
Profit for the year	10,290.86	10,974.74	12,619.39	9,223.73	9,102.59
Expenditure during construction period (net)					
Earnings per equity share (Par value ₹ 10/- each)					
Basic & Diluted (₹)	12.48	13.31	15.30	11.19	11.04

STANDALONE REFORMATTED STATEMENT OF CASH FLOWS

₹ Crore

For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit before tax	10,546.65	13,904.65	16,578.63	12,326.16	12,049.60
Adjustment for:					
Depreciation / Amortisation	4,911.65	4,142.19	3,396.76	2,791.70	2,485.69
Prior period depreciation / amortisation	12.12	2.35	(0.25)	(1.35)	(1,113.05)
Provisions	224.78	156.36	269.36	193.71	1,552.15
Deferred revenue on account of advance against depreciation	(283.35)	(16.05)	(9.87)	(73.58)	(818.79)
Deferred foreign currency fluctuation asset/liability	236.35	(211.93)	240.28	(874.84)	(58.48)
Deferred income from foreign currency fluctuation	(22.50)	516.36	79.56	792.00	90.46
Fly ash utilisation reserve fund	401.14	-	-	-	-
Exchange differences on translation of foreign currency cash and cash equivalents	(0.02)	(0.19)	-	-	-
Interest charges	2,702.53	2,368.33	1,902.13	1,681.75	1,383.10
Guarantee fee & other finance charges	41.09	38.26	22.23	29.89	37.86
Interest/income on term deposits/bonds/investments	(1,527.88)	(2,042.91)	(2,397.11)	(2,307.65)	(2,049.09)
Dividend income	(276.75)	(138.25)	(241.32)	(169.30)	(88.30)
Provisions written back	(186.15)	(199.87)	(907.81)	(444.39)	(7.81)
Profit on disposal of fixed assets	(4.54)	(12.86)	(4.62)	(13.28)	(8.16)
Loss on disposal of fixed assets	146.05	73.92	59.91	58.40	60.87
	<u>6,374.52</u>	<u>4,675.71</u>	<u>2,409.25</u>	<u>1,663.06</u>	<u>1,466.45</u>
Operating Profit before Working Capital Changes	<u>16,921.17</u>	<u>18,580.36</u>	<u>18,987.88</u>	<u>13,989.22</u>	<u>13,516.05</u>
Adjustment for:					
Trade receivables	(2,384.46)	144.92	1,307.69	(2,862.83)	(2,804.13)
Inventories	(1,816.80)	(1,084.66)	(157.16)	93.94	(169.75)
Trade payables, provisions and other liabilities	584.31	1,372.07	1,550.38	375.87	1,474.86
Loans & advances and other current assets	2,850.41	(724.25)	(3,298.04)	185.94	(722.49)
	<u>(766.54)</u>	<u>(291.92)</u>	<u>(597.13)</u>	<u>(2,207.08)</u>	<u>(2,221.51)</u>
Cash generated from operations	<u>16,154.63</u>	<u>18,288.44</u>	<u>18,390.75</u>	<u>11,782.14</u>	<u>11,294.54</u>
Direct taxes paid	(1,919.93)	(2,556.26)	(2,895.58)	(1,072.29)	(2,368.13)
Net Cash from Operating Activities - A	<u>14,234.70</u>	<u>15,732.18</u>	<u>15,495.17</u>	<u>10,709.85</u>	<u>8,926.41</u>
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of fixed assets	(17,128.27)	(16,739.70)	(16,296.65)	(10,794.44)	(9,372.27)
Disposal of fixed assets	5.69	17.66	5.44	78.76	29.42
Sale of investments	1,636.96	1,622.46	1,622.46	1,628.83	1,651.45
Investment in subsidiaries/joint ventures	(689.26)	(620.24)	(1,177.22)	(681.68)	(957.65)
Loans & advances to subsidiaries	(148.05)	27.90	(73.06)	(2.98)	6.19
Interest/income on term deposits/bonds/investments received	1,787.17	2,349.85	2,417.32	2,235.00	1,871.65
Income tax paid on interest income	(303.59)	(775.89)	(756.50)	(688.37)	(586.27)
Dividend received	276.75	138.25	241.32	169.30	88.30
Net cash used in Investing Activities - B	<u>(14,562.60)</u>	<u>(13,979.71)</u>	<u>(14,016.89)</u>	<u>(8,055.58)</u>	<u>(7,269.18)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from long term borrowings	23,360.37	12,366.65	11,696.96	8,736.39	9,045.79
Repayment of long term borrowings	(4,751.15)	(4,993.49)	(4,434.52)	(3,522.93)	(3,998.50)
Grants received	-	0.65	-	1.33	0.27
Security premium received	-	0.23	-	-	-
Interest paid	(5,586.31)	(4,741.40)	(3,831.50)	(3,885.12)	(3,036.94)
Guarantee fee & other finance charges paid	(104.16)	(153.56)	(114.57)	(84.18)	(62.86)
Dividend paid (including bonus debentures)	(12,368.21)	(4,947.28)	(3,504.34)	(3,545.55)	(3,133.26)
Tax on dividend (including tax on bonus debentures)	(2,428.62)	(840.79)	(564.44)	(569.02)	(518.06)
Net cash used in Financing Activities - C	<u>(1,878.08)</u>	<u>(3,308.99)</u>	<u>(752.41)</u>	<u>(2,869.08)</u>	<u>(1,703.56)</u>
D. Exchange differences on translation of foreign currency cash and cash equivalents	<u>0.02</u>	<u>0.19</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net increase/decrease in cash and cash equivalents (A+B+C+D)	<u>(2,205.96)</u>	<u>(1,556.33)</u>	<u>725.87</u>	<u>(214.81)</u>	<u>(46.33)</u>
Cash and cash equivalents at the beginning of the year	<u>15,311.37</u>	<u>16,867.70</u>	<u>16,141.83</u>	<u>16,356.64</u>	<u>16,402.97</u>
Cash and cash equivalents at the end of the period	<u>13,105.41</u>	<u>15,311.37</u>	<u>16,867.70</u>	<u>16,141.83</u>	<u>16,356.64</u>

Note 1. Cash and cash equivalents consist of cheques, drafts, stamps in hand, balances with banks and investments in liquid mutual funds.
 2. Previous year figures have been regrouped/rearranged wherever considered necessary.

CONSOLIDATED REFORMATTED STATEMENT OF ASSETS AND LIABILITIES

₹ Crore

Particulars	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011
EQUITY AND LIABILITIES					
Shareholders' funds					
Share capital	8,245.46	8,245.46	8,245.46	8,245.46	8,245.46
Reserves and surplus	73,848.52	79,084.26	73,230.42	66,157.33	60,198.06
	<u>82,093.98</u>	<u>87,329.72</u>	<u>81,475.88</u>	<u>74,402.79</u>	<u>68,443.52</u>
Deferred revenue	1,394.15	1,609.88	1,244.05	1,430.06	854.48
Minority interest	887.94	680.43	644.81	595.59	485.05
Non-current liabilities					
Long-term borrowings	93,362.92	75,542.30	64,587.72	54,851.94	47,059.57
Deferred tax liabilities (net)	1,265.61	1,239.31	1,080.72	764.49	671.65
Other long-term liabilities	3,481.85	3,081.58	2,217.66	1,791.57	2,469.03
Long-term provisions	1,143.37	896.80	761.20	623.49	568.52
	<u>99,253.75</u>	<u>80,759.99</u>	<u>68,647.30</u>	<u>58,031.49</u>	<u>50,768.77</u>
Current liabilities					
Short-term borrowings	640.15	433.64	382.16	150.16	39.40
Trade payables	7,107.63	7,223.96	5,862.29	5,037.97	4,374.31
Other current liabilities	20,202.14	14,427.18	13,165.07	12,195.79	9,362.10
Short-term provisions	7,996.41	7,580.33	7,289.02	3,411.09	2,284.51
	<u>35,946.33</u>	<u>29,665.11</u>	<u>26,698.54</u>	<u>20,795.01</u>	<u>16,060.32</u>
TOTAL	<u><u>219,576.15</u></u>	<u><u>200,045.13</u></u>	<u><u>178,710.58</u></u>	<u><u>155,254.94</u></u>	<u><u>136,612.14</u></u>
ASSETS					
Non-current assets					
Goodwill on consolidation	0.62	0.62	0.62	0.62	0.62
Fixed assets					
Tangible assets	91,579.48	83,957.77	71,578.34	50,913.47	44,652.15
Intangible assets	272.92	249.59	253.75	217.40	208.85
Capital work-in-progress	67,524.31	53,819.15	46,553.36	50,396.97	41,091.98
Intangible assets under development	30.38	5.81	1.28	1.29	0.04
Non-current investments	14.12	1,663.46	3,300.42	4,922.88	6,545.33
Long-term loans and advances	16,631.62	14,157.35	11,058.61	6,216.05	7,700.47
Other non-current assets	1,731.08	1,805.99	1,503.91	1,375.16	463.40
	<u>177,784.53</u>	<u>155,659.74</u>	<u>134,250.29</u>	<u>114,043.84</u>	<u>100,662.84</u>
Current assets					
Current investments	1,887.39	1,636.96	1,622.46	1,622.46	1,812.00
Inventories	7,972.46	5,988.48	4,575.78	4,177.91	3,910.83
Trade receivables	9,249.92	6,725.66	6,096.15	6,681.02	1,746.27
Cash and bank balances	14,251.61	17,050.67	18,738.12	18,087.39	17,856.17
Short-term loans and advances	2,456.70	3,230.15	1,718.34	1,676.66	1,219.36
Other current assets	5,973.54	9,753.47	11,709.44	8,965.66	9,404.67
	<u>41,791.62</u>	<u>44,385.39</u>	<u>44,460.29</u>	<u>41,211.10</u>	<u>35,949.30</u>
TOTAL	<u><u>219,576.15</u></u>	<u><u>200,045.13</u></u>	<u><u>178,710.58</u></u>	<u><u>155,254.94</u></u>	<u><u>136,612.14</u></u>

CONSOLIDATED REFORMATTED STATEMENT OF PROFIT AND LOSS

₹ Crore

Particulars	For the year ended				
	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Revenue					
Revenue from operations (gross)	81,367.02	79,648.12	72,705.87	66,597.35	57,953.96
Less: Electricity duty / Excise duty	744.98	697.49	571.56	472.64	313.47
Revenue from operations (net)	80,622.04	78,950.63	72,134.31	66,124.71	57,640.49
Other income	2,078.91	2,760.12	3,147.92	2,947.37	2,400.25
Total revenue	82,700.95	81,710.75	75,282.23	69,072.08	60,040.74
Expenses					
Fuel	51,461.12	47,790.26	42,827.77	43,302.66	36,414.35
Electricity purchased	2,082.64	2,189.97	2,673.49	76.01	10.91
Employee benefits expense	3,889.69	4,038.63	3,573.98	3,301.56	2,965.50
Cost of material and services	631.02	315.81	309.58	324.86	243.73
Change in inventories of finished goods, work-in	4.64	1.66	2.66	0.32	3.41
Finance costs	3,570.37	3,203.07	2,480.54	2,134.72	1,725.75
Depreciation and amortisation expense	5,564.61	4,769.99	3,823.22	3,107.09	2,719.69
Generation, administration & other expenses	5,358.87	4,903.75	4,582.11	4,003.66	5,227.20
Prior period items (net)	(318.22)	11.85	(33.78)	(316.06)	(1,662.13)
Total expenses	72,244.74	67,224.99	60,239.57	55,934.82	47,648.41
Profit before tax and exceptional items	10,456.21	14,485.76	15,042.66	13,137.26	12,392.33
Exceptional items	-	-	1,568.29	-	-
Profit before tax	10,456.21	14,485.76	16,610.95	13,137.26	12,392.33
Tax expense					
Current tax	442.30	2,934.59	3,743.81	3,261.17	2,602.16
Deferred tax	1,023.87	158.59	316.23	92.73	441.94
Less: Deferred asset for deferred tax liability	994.66	-	-	-	-
MAT credit recoverable	7.67	10.82	35.31	31.30	-
Total tax expense	463.84	3,082.36	4,024.73	3,322.60	3,044.10
Profit after tax	9,992.37	11,403.40	12,586.22	9,814.66	9,348.23
Less: Share of Profit/(loss)-Minority interest	6.03	(0.21)	(4.56)	1.87	(5.17)
Group profit after tax	9,986.34	11,403.61	12,590.78	9,812.79	9,353.40
Expenditure during construction period (net)					
Earnings per equity share (Par value of ₹ 10/- each)					
Basic & Diluted	12.11	13.83	15.27	11.90	11.34

CONSOLIDATED REFORMATTED STATEMENT OF CASH FLOWS

₹ Crore

For the Year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit before tax	10,456.21	14,485.76	16,610.95	13,137.26	12,392.33
Adjustment for:					
Depreciation / amortisation	5,564.61	4,769.99	3,823.22	3,107.09	2,719.69
Prior period depreciation / amortisation	15.62	3.73	3.93	(0.43)	(1,170.72)
Provisions	231.84	160.54	272.33	204.36	1,552.77
Deferred revenue on account of advance against depreciation	(283.35)	(16.06)	(9.87)	(73.58)	(818.79)
Deferred foreign currency fluctuation asset/liability	244.39	(215.77)	238.75	(876.83)	(58.28)
Deferred income from foreign currency fluctuation	(22.50)	516.36	79.56	792.00	90.46
Fly ash utilisation reserve fund	76.74	91.30	107.95	68.02	48.34
Exchange differences on translation of foreign currency cash and cash equivalents	(0.02)	(0.19)	-	-	-
Interest charges	3,528.57	3,164.29	2,457.80	2,103.98	1,689.63
Guarantee fee & other finance charges	41.80	38.78	22.74	30.74	36.12
Interest/income on term deposits/bonds/investments	(1,581.36)	(2,130.45)	(2,475.64)	(2,381.51)	(2,093.79)
Dividend income	(160.22)	(139.06)	(217.79)	(151.71)	(74.30)
Provisions written back	(187.14)	(200.86)	(908.53)	(445.85)	(7.84)
	7,468.98	6,042.60	3,394.45	2,376.28	1,913.29
Operating Profit before Working Capital Changes	17,925.19	20,528.36	20,005.40	15,513.54	14,305.62
Adjustment for:					
Trade receivables	(2,976.09)	(629.02)	1,417.14	(3,400.03)	(2,850.90)
Inventories	(1,677.83)	(1,154.24)	(186.21)	(96.95)	(252.20)
Trade payables, provisions and other liabilities	1,019.90	1,378.81	1,778.39	858.96	1,477.14
Loans & Advances and Other current assets	2,464.63	(906.42)	(3,419.45)	(198.84)	(714.19)
	(1,169.39)	(1,310.87)	(410.13)	(2,836.86)	(2,340.15)
Cash generated from operations	16,755.80	19,217.49	19,595.27	12,676.68	11,965.47
Direct taxes paid	(2,009.95)	(2,686.65)	(2,979.54)	(1,211.70)	(2,447.89)
Net Cash from Operating Activities - A	14,745.85	16,530.84	16,615.74	11,464.98	9,517.58
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of fixed assets	(19,177.24)	(18,948.45)	(20,405.74)	(13,149.72)	(11,595.92)
Purchase of investments	2.12	-	-	-	-
Sale of investments	1,636.96	1,622.46	1,628.83	1,628.83	1,651.45
Interest/income on term deposits/bonds/investments received	1,847.03	2,453.40	2,474.48	2,301.30	1,910.90
Income tax paid on interest income	(303.59)	(775.89)	(760.53)	(690.09)	(586.27)
Dividend received	160.22	139.06	217.79	151.71	74.30
Net cash used in Investing Activities - B	(15,834.50)	(15,509.42)	(16,845.17)	(9,757.97)	(8,545.54)
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from long term borrowings	25,450.85	14,523.70	14,381.51	10,712.62	10,543.51
Repayment of long term borrowings	(5,076.24)	(5,189.74)	(4,603.31)	(3,651.79)	(4,308.44)
Proceeds from Short term borrowings	206.51	51.48	232.00	110.76	27.31
Grants received etc.	20.00	20.32	54.90	121.22	279.16
Interest paid	(7,124.72)	(6,088.36)	(4,922.38)	(4,721.80)	(3,742.01)
Guarantee fee & other finance charges paid	(112.36)	(154.55)	(139.40)	(98.68)	(64.62)
Dividend paid (including bonus debentures)	(12,388.20)	(5,018.96)	(3,550.10)	(3,550.10)	(3,149.16)
Tax on dividend (including tax on bonus debentures)	(2,450.34)	(852.95)	(573.06)	(573.06)	(523.08)
Net cash used in Financing Activities - C	(1,474.50)	(2,709.06)	880.16	(1,650.83)	(937.33)
D. Exchange differences on translation of foreign currency cash and cash equivalents					
	0.02	0.19	-	-	-
Net increase/decrease in cash and cash equivalents (A+B+C+D)	(2,563.13)	(1,687.45)	650.73	56.18	34.71
Cash and cash equivalents at the beginning of the year	17,050.67	18,738.12	18,087.39	18,031.21	17,996.50
Cash and cash equivalents at the end of the period	14,487.54	17,050.67	18,738.12	18,087.39	18,031.21

Not 1. Cash and cash equivalents consist of cheques, drafts, stamps in hand, balances with banks and investments in liquid mutual funds.

2. Previous year figures have been regrouped/rearranged wherever considered necessary.

GENERAL INFORMATION

Our Company was incorporated on November 7, 1975 under the Companies Act 1956 as a private limited company under the name, 'National Thermal Power Corporation Private Limited'. The name of our Company was changed to 'National Thermal Power Corporation Limited' on September 30, 1976 consequent upon a notification issued by the GoI exempting government companies from the use of the word 'private'. On September 30, 1985, our Company was converted from a private limited company into a public limited company. The name of our Company was changed to 'NTPC Limited' and a fresh certificate of incorporation was issued on October 28, 2005. For more information on change of name of our Company, see "*History and Certain Corporate Matters*" on page 73.

Registered and Corporate Office of our Company

NTPC Limited
 NTPC Bhawan
 SCOPE Complex
 7, Institutional Area, Lodhi Road
 New Delhi 110 003
 Tel: + (91 11) 2436 0100
 Fax: + (91 11) 2436 1018

Details	Registration/Identification number
Registration Number	055-7966
Company Identification Number	L40101DL1975GOI007966

For further information on changes in the location of the Registered Office, see "*History and Certain Corporate Matters*" on page 73.

Address of the RoC

Our Company is registered with the office of the RoC, situated at the address set forth below.

The Registrar of Companies, National Capital Territory of Delhi and Haryana
 4th Floor, IFCI Tower
 61, Nehru Place
 New Delhi 110 019
 Tel: + (91 11) 2623 5704
 Fax: + (91 11) 2623 5702

Company Secretary and Compliance Officer

Mr. A.K. Rastogi
 Executive Director & Company Secretary and Compliance Officer
 NTPC Bhawan
 SCOPE Complex
 7, Institutional Area, Lodhi Road
 New Delhi 110 003
 Tel: + (91 11) 2436 0071
 Fax: + (91 11) 2436 0241
 E-mail: akrastogi@ntpc.co.in

Chief Financial Officer

Mr. Kulamani Biswal
 Director (Finance)
 NTPC Bhawan
 SCOPE Complex
 7, Institutional Area, Lodhi Road
 New Delhi 110 003
 Tel.: 011 2436 0461

Fax: 011 2436 3480
E-mail: kbiswal@ntpc.co.in

Applicants or prospective investors may contact the Registrar to the Issue or our Executive Director & Company Secretary and Compliance Officer in case of any pre-Issue or post-Issue related problems, such as non-receipt of Allotment Advice, demat credit or Refund Orders.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, Application Form number, address of the Applicant, number of Bonds applied for, amount paid on application, Depository Participant (“DP”) and the collection centre of the relevant members of the Consortium, brokers and sub-brokers appointed in relation to the Issue (“Syndicate”) where the Application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue with a copy to either (a) the relevant Designated Branch of the SCSB where the Application Form was submitted by the ASBA Applicant, or (b) the concerned member of the Syndicate and the relevant Designated Branch of the SCSB in the event of an Application submitted by an ASBA Applicant at any of the Syndicate ASBA Centres, giving full details such as name, address of Applicant, Application Form number, number and series/option of Bonds applied for and amount blocked on Application.

All grievances arising out of Applications for the Bonds made through Trading Members of the Stock Exchanges may be addressed directly to the relevant Stock Exchange.

Lead Managers

A. K. Capital Services Limited
30-39, Free Press House, 3rd Floor
Free Press Journal Marg
215, Nariman Point
Mumbai 400 021
Tel: (+91 22) 6754 6500/6634 9300
Fax: (+91 22) 6610 0594
Email: ntpctfbonds15@akgroup.co.in
Investor Grievance Email:
investor.grievance@akgroup.co.in
Website: www.akcapindia.com
Contact Person: Mr. Mandeep Singh/Ms. Shilpa Pandey
Compliance Officer: Ms. Kanchan Singh
SEBI Registration No.: INM000010411

Axis Capital Limited
1st floor, Axis House
C-2 Wadia International Centre
P.B. Marg
Worli, Mumbai 400 025
Tel: (+91 22) 4325 2525
Fax: (+91 22) 4325 3000
E-mail: ntpctaxfree2015@axiscap.in
Investor Grievance Email: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Mr. Akash Aggarwal
Compliance Officer: Mr. M. Natarajan
SEBI Registration No.: INM000012029

*Edelweiss Financial Services Limited**
Edelweiss House
Off CST Road, Kalina, Mumbai 400 098
Maharashtra, India
Tel: +91 22 4086 3535;
Fax: +91 22 4086 3610
Email: ntpctf2015@edelweissfin.com
Investor Grievance Email:
customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Mr. Lokesh Singhi
Compliance Officer: Mr. B. Renganathan
SEBI Registration No.: INM0000010650

SBI Capital Markets Limited
202, Maker Tower E, Cuffe Parade
Mumbai 400 005
Tel: (+91 22) 2217 8300
Fax: (+91 22) 2218 8332
Email: ntpctaxfree2015@sbicaps.com
Investor Grievance Email:
investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact Person: Mr. Nithin Kanuganti/ Mr. Nikhil Bhiwapurkar
Compliance Officer: Mr. Bhaskar Chakraborty
SEBI Registration No.: INM000003531

*Note:

- *Edelweiss Financial Services Limited, along with other Merchant Bankers, have filed an Appeal before Securities Appellate Tribunal against the Adjudicating order dated November 28, 2014 passed by SEBI in the matter of IPO of CARE Limited.*
- *Edelweiss Financial Services Limited, along with other Merchant Bankers, have received a Show Cause Notice dated September 20, 2013 issued by SEBI in the matter of IPO of Electrosteel Steels Limited.*

Consortium Members

[•]

Bond Trustee

IDBI Trusteeship Services Limited

ASIAN Building, Ground Floor, 17,
R. Kamani Marg,
Ballard Estate,
Mumbai- 400 001
Tel: +91 22 4080 7000
Fax: +91 22 4080 7080
Email: itls@idbitrustee.com
Investor Grievance Email: response@idbitrustee.com
Website: www.idbitrustee.com
Contact Person: Anjali Athalayee
SEBI Registration No.: IND000000460

IDBI Trusteeship Services Limited has, by its letter dated September 9, 2015, given its consent for its appointment as Bond Trustee to the Issue and for its name to be included in this Draft Prospectus and the Prospectus, and in all subsequent periodical communications sent to the Bondholders, pursuant to Regulation 4(4) of the SEBI Debt Regulations.

Registrar to the Issue

Karvy Computershare Private Limited

Karvy Selenium Tower-B,
Plot No. 31 and 31;
Gachibowli Financial District,
Nanakramguda, Seriligampally,
Hyderabad – 500 008
Tel: (+91 40) 6716 2222
Fax: (+91 40) 2343 1551
E-mail: ntpc.bond@karvy.com
Investor Grievance Email: einward.ris@karvy.com
Website: www.karisma.karvy.com
Contact Person: Mr. M. Murali Krishna
SEBI Registration No.: INR000000221

Joint Statutory Auditors

For dates of appointment of our Joint Statutory Auditors, see “*Other Regulatory and Statutory Disclosures*” on page 129.

TR Chadha & Co.
Chartered Accountants
B-30, Connaught Place,
Kuthiala Building,
New Delhi 110 001
Tel: 011 4325 9900
Fax: 011 4325 9930
Email: delhi@trchadha.com
Firm Registration No.: 006711N

Sagar & Associates
Chartered Accountants
H.No:6-3-244/5,
Saradadevi Street,
Prem Nagar, Khairtabad,
Hyderabad 500 004
Tel: 040 2330 3371
Fax: 040 2339 0151
Email: sagarandassociates@yahoo.co.in
Firm Registration No.: 003510S

Kalani & Co.
Chartered Accountants
703 VIIth Floor Milestone Building,
Gandhi Nagar, Crossing, Tonk Road,

P A & Associates
Chartered Accountants
20 Govind Vihar,
Bamikhhal

Jaipur 302 015
Tel: 0141 2701 001/2
Fax: 0141 2709 003
Email: jaipureast@kalanico.com
Firm Registration No.: 000722C

Bhubaneswar 751 010
Tel: 0674 2571 744
Fax: 0674 2570 162
Email: prashantpanda@paassociates.in
Firm Registration No.: 313085E

S K Kapoor & Co.
Chartered Accountants
16/98, LIC Building,
The Mall,
Kanpur 208 001
Tel: 0512 2372 244
Fax: 0512 2372 244
Email: skkoca@sancharnet.in
Firm Registration No.: 000745C

B M Chatrath & Co.
Chartered Accountants
Centre Point, 4th Floor,
Room No.-440,
21, Hemanta Basu Sarani
Kolkata -700 001
Tel: 033 2248 4575
Fax: 033 2248 9934
Email: bmccal@bmchatrath.com
Firm Registration No.: 301011E

P S D & Associates
Chartered Accountants
H-197, Arjun Nagar,
Safdarjung Enclave,
New Delhi - 110029
Tel: 0141 2389 180/83
Fax: 0141 2389 180
Email: prakash_psd@rediffmail.com
Firm Registration No.: 004501C

Escrow Collection Banks/Bankers to the Issue

[•]

Refund Bank

[•]

Self Certified Syndicate Banks

The list of Designated Branches that have been notified by SEBI to act as SCSBs in relation to the ASBA process is provided on www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time. For more information on the Designated Branches collecting ASBA Applications, see the website mentioned above.

Bankers to our Company

Axis Bank
Statesman House,
148, Barakhamba Road,
New Delhi 110 001
Tel: + (91 11) 4742 5100/ 150
Fax: + (91 11) 2331 1054
E-mail: newdelhi.operationshead@axisbank.com
Website: www.axisbank.com
Contact Person: Ms. Geetanjali Rawat/ Mr. Debraj Saha

Bank of India
Near Wales Ground Sadanand Road,
Saketpuri, Post Box No. 34
Tel: + (91 6546) 227 792
Fax: -
E-mail: zo.hazaribagh@bankofindia.co.in
Website: www.bankofindia.co.in
Contact Person: Zonal Manager, Hazaribagh

Canara Bank
Prime Corporate Branch,
Nehru Place, 1st Floor, No.1 DDA Building,
Nehru Place,
New Delhi 110 019
Tel: + (91 11) 2641 6896/ 1517/1519

Central Bank of India
5 Parliament Street
Jeevantara Building
New Delhi 110 001
Tel: + (91 11) 4999 2244
Fax: + (91 11) 4353 6447

Fax: + (91 11) 2641 6895
E-mail: cb2624@canarabank.co.in
Website: www.canarabank.com
Contact Person: Mr. Ranjeet Jha

Dena Bank

Scope Complex Branch
Core 6, 7, Lodhi Road
New Delhi 110 003
Tel: + (91 11) 2436 9002
Fax: + (91 11) 2436 3767
E-mail: scopec@denabank.co.in
Website: www.denabank.com
Contact Person: Mr. B.K. Gupta

ICICI Bank Limited

Capital Market Division, 1st Floor,
122, Mistry Bhavan, Dinshaw Vachha Road,
Backbay Reclamation, Churchgate,
Mumbai – 400 020
Tel: + (91 22) 2285 9922
Fax: +(91 22) 2261 1138
E-mail: rishav.bagrecha@icicibank.com
Website:www.icicibank.com
Contact Person: Mr. Rishav Bagrecha

Punjab National Bank

5, Sansd Marg,
New Delhi 110 001
Tel: + (91 11) 2373 9061/ 2371 0457
Fax: + (91 11) 2376 6175
E-mail: bo0153@pnb.co.in
Website: www.pnbindia.com
Contact Person: Mr. Satish Kumar Shervan

State Bank of India

11th Floor, Jawahar Vyapar Bhawan,
1 Tolstoy Marg
New Delhi 110 001
Tel: + (91 11) 2335 9507/2337 4567
Fax: + (91 11) 2335 6817
E-mail: cs.cagnd@sbi.co.in
Website: www.statebankofindia.com and
Contact Person: Atandrita Mishra

State Bank of Travancore

Haripad Branch (Head Office Thiruvananthapuram),
Tel: + (91 479) 2413 709/ 2415 137/ 2417 209
Fax: + (91 479) 2413 709
E-mail: haripad@sbt.co.in
Website: www.statebankoftravancore.com
Contact Person: Teresa Joseph

Union Bank of India (TTPS Branch)

AT/PO-Talcher Thermal,
Dist-Anghul,
Odisha 759 101

E-mail: dgmcfb3464@centralbank.co.in
Website: www.centralbankofindia.co.in
Contact Person: Sri Mukul N. Dandige

Indian Overseas Bank

14 and 15 Farm Bhawan
Nehru Place
New Delhi 110 019
Tel: + (91 11) 2628 2360
Fax: + (91 11) 2648 9201
E-mail: iob0543@iobnet.in
Website: www.iob.in
Contact Person: Mr. Arun Jain

IDBI Bank Limited

Unit No. 2, Corporate Park, Sion,
Trombay Road, Chembur, Mumbai – 400 071
Tel: + (91 22) 6690 8402
Fax: + (91 22) 6690 8424
E-mail: ipoteam@idbi.co.in
Website: www.idbibank.com
Contact Person: Mr. Satish Vasudeo Joshi

State Bank of Hyderabad

Scope Complex Branch,
Core-6, Scope Complex,
Lodhi Road, New Delhi 110 003
Tel: + (91 11) 4715 4901/03/04
Fax: + (91 11) 2436 5907/2566
E-mail: scopecomplex@sbhyd.co.in
Website: www.sbhyd.com
Contact Person: Ms. Ajay Kumar Sreen

State Bank of Patiala

Commercial Branch, 2nd Floor,
Chanderlok Building,
36, Janpath,
New Delhi 110 001
Tel: + (91 11) 2373 9775/2335 7617/ 2331 9563/ 2373
8096
Fax: + (91 11) 2335 4365
E-mail: b5732@sbp.co.in
Website: www.sbp.co.in
Contact Person: Manish Solanki

UCO Bank

NTPC Campus, Deepsikha,
Dist - Angul
Tel: + (91 6760) 243 646
Fax: -
E-mail: deepsi@ucobank.co.in
Website: www.ucobank.com
Contact Person: Judhisthir Panda

United Bank of India

Rihandnagar Branch
At and Post – Brijpur
District – Sonebhadra

Tel: + (91 6760) 249076
Fax: -
E-mail: bmtps@unitedbank.co.in
Website: www.unitedbank.co.in
Contact Person: Satyaban Pradhan

U.P. -231223
Tel: + (91 05446) 242 041
Fax: -
E-mail: cbsrihandnagar@unionbankofindia.com
Website: www.unionbankofindia.in
Contact Person: Sanjiv Kumar

HDFC Bank Limited
B-6/3, Safdarjung Enclave
DDA Commercial Complex
Opposite Deer Park
New Delhi 110 029
Tel: + (91 11) 4139 2125
Fax: + (91 11) 4165 2283
E-mail: rajneesh.dua@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Rajneesh Dua

Yes Bank
48, Nyaya Marg, Chanakyapuri,
New Delhi 110 021
Tel: + (91 11) 6656 0508/ 85880 73277/ 93502 25808/
98999 27284/ 98182 33118
Fax: + (91 11) 4168 0311
E-mail: Priyadarshini.singh@yesbank.in,
Priyatna.basu@yesbank.in,
Puneet.mathur@yesbank.in, Rahul.kumar@yesbank.in
Website: www.yesbank.in
Contact Person: Priyadarshini Singh, Priyatna Basu,
Puneet Mathur, Rahul Kumar

Legal Advisor to the Issue

AZB & Partners
AZB House
Plot No. A8
Sector 4
Noida – 210 301
Tel.: (+91 120) 417 9999
Fax: (+91 120) 417 9900

Credit Rating Agencies

ICRA Limited
Building No. 8, Tower A, 2nd Floor
DLF Cyber City, Phase II
Gurgaon 122 002
Tel: (+91 124) 4545 310
Fax: (+91 124) 4050 424
Email: vw@icraindia.com
Investor Grievance Email: investors@icraindia.com
Contact Person: Mr. Vijay Wadhwa
Website: www.icra.in
SEBI Registration No.: IN/CRA/008/2015

CRISIL Limited
CRISIL House, Central Avenue
Hiranandani Business Park
Powai
Mumbai 400 076
Tel: (+91 22) 3342 3000
Fax: (+91 22) 3342 3050
Email:
sudip.sural@crisil.com/
crisilratingdesk@crisil.com
Contact Person: Mr. Sudip Sural
Website: www.crisil.com
SEBI Registration No.: IN/CRA/001/1999

Credit Analysis and Research Limited
4th Floor, Godrej Coliseum,
Somaiya Hospital Road,

Off Eastern Express Highway,
Sion (E), Mumbai 400 022
Tel: (+91 22) 6754 3456
Fax: (+91 22) 6754 3457
Email: care@careratings.com
Contact Person: Ajay Dhaka
Website: www.careratings.com
SEBI Registration No.: IN/CRA/004/1999

Credit Rating and Rationale

ICRA Limited (“**ICRA**”) has, by its letter (No. D/RAT/2015-16/N3/1) dated August 14, 2015, assigned a rating of [ICRA] AAA (stable) to the Bonds, and revalidated such rating by letter (No. D/RAT/2015-16/N3/5) dated September 1, 2015. CRISIL Limited (“**CRISIL**”) has, by its letter (No. NTPCLTD/137722/NCD/081500586) dated August 13, 2015, assigned a rating of CRISIL AAA to the Bonds, and revalidated such rating by letter (No. RG/NTPCL/SN/31714) dated September 1, 2015. Credit Analysis and Research Limited (“**CARE**”) has, by its letter (No. CARE/DRO/RL/2015-16/1606) dated September 1, 2015 assigned a rating of CARE AAA (Triple A) to the Bonds. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations and carry lowest credit risk. These ratings are not a recommendation to buy, sell or hold securities, and investors should take their own decision. These ratings are subject to revision or withdrawal at any time by the assigning rating agency(ies) and should be evaluated independently of any other ratings. For more information, see “**Annexure B – Credit Rating**”.

Minimum Subscription

In terms of SEBI Circular no. CIR/IMD/DF/ 12 /2014 dated June 17, 2014, the Company is exempted from the requirement of receiving minimum subscription in the proposed Issue..

Expert Opinion

Except for (i) the Joint Statutory Auditors’ Reports dated September 9, 2015 on the standalone and consolidated reformatted financial information for fiscal 2015, fiscal 2014, fiscal 2013, fiscal 2012 and fiscal 2011, issued by TR Chadha & Co., Sagar & Associates, Kalani & Co., P A & Associates, S K Kapoor & Co., B M Chatrath & Co., and P S D & Associates, the Joint Statutory Auditors of our Company, (ii) the Statement of Tax Benefits dated September 9, 2015, issued by TR Chadha & Co., Sagar & Associates, Kalani & Co., P A & Associates, S K Kapoor & Co., B M Chatrath & Co., and P S D & Associates, the Joint Statutory Auditors of our Company, (iii) the limited review report dated July 30, 2015 on the standalone financial information for the 3 (three) months ended June 30, 2015, prepared by P S D & Associates along with our previous statutory auditors, and the consent for which has been provided by P S D & Associates, and (iv) credit rating from CARE dated September 1, 2015, our Company has not obtained any expert opinions.

Underwriting

The Issue is not underwritten.

Arrangers to the Issue

There are no arrangers to the Issue.

Impersonation

For details, see “**Terms of the Issue**” on page 151.

Issue Programme

ISSUE PROGRAMME*

ISSUE OPENS ON	ISSUE CLOSES ON
[•]	[•]

** The Issue shall remain open for subscription from 10 A.M. to 5 P.M. (Indian Standard Time) during the period indicated above with an option for early closure as may be decided by the Board or an authorised representative of the Board. In the event of such early closure or extension of the subscription list of the Issue, our Company shall ensure that public notice of such early closure/extension is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in at least one leading national daily newspaper with wide circulation.*

CAPITAL STRUCTURE

1. The details of share capital of our Company as on June 30, 2015 and as on the date of this Draft Prospectus is set forth below.

Details of share capital	Aggregate value at face value (In ₹ crore)
Authorized share capital	
10,00,00,00,000 equity shares of face value of ₹ 10 each (“Equity Shares”)	10,000.00
Issued, subscribed and paid up share capital before the Issue	
8,24,54,64,400 Equity Shares	8,245.46
Securities premium account	2,228.34*

* As on the date of the Draft Prospectus, the aggregate value of the security premium account is ₹2,228.47 crore.

2. There have been no changes in the authorized share capital of our Company in the 5 years immediately preceding the date of this Draft Prospectus and as of June 30, 2015.
3. There have been no changes in the capital structure of our Company in the 5 years immediately preceding the date of this Draft Prospectus and as of June 30, 2015.
4. There has been no change in the Equity Share capital history of our Company in the 5 years immediately preceding the date of this Draft Prospectus and as of June 30, 2015. Our Promoter undertook an offer for sale in February 2013 of 78,32,62,880 Equity Shares, pursuant to circular (No. CIR/MRD/DP/18/2012) dated July 18, 2012. Additionally, in June 2014, our Promoter undertook an offer for sale of 34,83,320 Equity Shares to eligible employees of our Company at a 5% discount pursuant to letter (No. F.No. 4(18)/2012-DoD) dated June 26, 2013. No Equity Shares held by our Promoter are pledged or otherwise encumbered.
5. Our Company has not issued any Equity Shares or debt securities on account of any acquisition, amalgamation, reorganisation or reconstruction in the one year immediately preceding the date of this Draft Prospectus. However, our Company issued fully paid up secured bonus debentures of ₹ 12.50 each to the shareholders of our Company on March 25, 2015, out of the free reserves of our Company through a scheme or arrangement approved by the shareholders of the Company in its meeting held on February 10, 2015 and thereafter approval accorded by the Ministry of Corporate Affairs under Section 391-394 of the Companies Act, 1956 (“**Bonus Debentures**”). For further details on Bonus Debentures, please see “*Description of Financial Indebtedness*” on page 104.
6. Our Company has not issued any Equity Shares or debt securities for consideration other than cash, whether in whole or part, since its incorporation.
7. Details of Equity Shares held by the Promoter as on June 30, 2015:

Sl. No.	Name of Promoter	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage of issued Equity Share capital	No. of Equity Shares pledged	Percentage of Equity Shares pledged
1.	The President of India, acting through the MoP	6,180,614,980	6,180,614,980	74.96	0	Nil

8. Except as set forth below, none of our Directors hold any Equity Shares including any stock options in our Company, its Subsidiaries, and associates as on September 4, 2015.

Sl. No.	Name of Director	No. of Equity Shares held	No. of Equity Shares held in dematerialized form	Percentage of issued Equity Share capital	No. of stock options	Entity
1.	Mr. Subhash Chandra Pandey	3,000	3,000	Negligible	Nil	Company
		100	Nil	Negligible	Nil	Bhartiya Rail Bijlee Company Limited
2.	Mr. Umesh Prasad Pani	2,362	2,362	Negligible	Nil	Company
		100	Nil	Negligible	Nil	Kanti Bijlee Utpadan Nigam Limited
3.	Mr. Anil Kumar Jha	1,440	1,440	Negligible	Nil	Company
		100	Nil	Negligible	Nil	NTPC Vidyut Vyapar Nigam Limited
		100	Nil	Negligible	Nil	NTPC Electric Supply Company Limited
4.	Mr. Kaushal Kishore Sharma	369	369	Negligible	Nil	Company
5.	Mr. Kulamani Biswal	100	Nil	Negligible	Nil	NTPC Electric Supply Company Limited
		100	Nil	Negligible	Nil	NTPC Tamilnadu Energy Company Limited
Total		7,771	7,171	Negligible	Nil	

9. **Shareholding pattern of our Company and list of Equity Shareholders**

The table below represents the shareholding pattern of our Company as per Clause 35 of the equity listing agreement, as on June 30, 2015.

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian							
Central Government/Stat	1	6,180,614,980	6,180,614,980	74.96	74.96	-	-

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
Government(s)							
Sub Total	1	6,180,614,980	6,180,614,980	74.96	74.96	-	-
(2) Foreign		-	-	-	-	-	-
Total shareholding of Promoter and Promoter Group (A)	1	6,180,614,980	6,180,614,980	74.96	74.96	0.00	0.00
(B) Public Shareholding							
(1) Institutions							
MFs/UTI	104	84,309,979	84,309,979	1.02	1.02	-	-
Financial Institutions/Banks	102	913,588,727	913,588,727	11.08	11.08	-	-
Foreign Institutional Investors ("FIIs")/Foreign Portfolio Investors ("FPIs")	487	823,307,792	823,307,792	9.98	9.98	-	-
Insurance Companies	38	50,974,128	50,974,128	0.62	0.62		
Sub Total	731	1,872,180,626	1,872,180,626	22.71	22.71	-	-
(2) Non-Institutions						-	-
Bodies Corporate	3,161	22,680,372	22,680,372	0.28	0.28	-	-
Individuals						-	-
Individual shareholders holding nominal share capital up to ₹ 0.01 crore	682,778	141,890,711	141,822,951	1.72	1.72	-	-
Individual shareholders holding nominal share capital in excess of ₹ 0.01 crore	514	15,104,993	15,104,993	0.18	0.18	-	-
Any Others (Specify)							
Non-Resident Indians	7,858	4,901,440	4,853,240	0.06	0.06	-	-
Trusts	96	6,600,666	6,600,666	0.08	0.08	-	-
Foreign Corporate Bodies	1	1,500	1,500	0.00	0.00	-	-
Foreign Nationals	4	2,690	2,690	0.00	0.00	-	-
Directors	6	21,227	21,227	0.00	0.00	-	-

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of Total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
Clearing Members	283	1,465,195	1,465,195	0.02	0.02	-	-
Sub Total	694,701	192,668,794	192,552,834	2.34	2.34	-	-
Total Public shareholding (B)	695,432	2,064,849,420	2,064,733,460	25.04	25.04	-	-
Total (A)+(B)	695,433	8,245,464,400	8,245,348,440	100.00	100.00	-	-
(C) Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00	-	-
(1) Promoter and Promoter Group	0	0	0	0.00	0.00	-	-
(2) Public	0	0	0	0.00	0.00	-	-
Sub Total	0	0	0	0.00	0.00	-	-
Total (A)+(B)+(C)	695,433	8,245,464,400	8,245,348,440	100.00	100.00	-	-

10. Top Ten Shareholders of our Company

Our top ten shareholders and the number of Equity Shares held by them, as on June 30, 2015, are as follows:

Sl. No.	Name of Shareholder*	No. of Equity Shares	No. of shares in demat form	Percentage of issued Equity Share capital
1.	The President of India, acting through the Ministry of Power	6,180,614,980	6,180,614,980	74.96
2.	Life Insurance Corporation of India	827,383,462	827,383,462	10.03
3.	ICICI Prudential Life Insurance Company Limited	48,373,493	48,373,493	0.59
4.	T. Rowe Price International Stock Fund	44,424,180	44,424,180	0.54
5.	Abu Dhabi Investment Authority	42,359,655	42,359,655	0.51
6.	Vanguard Emerging Markets Stock Index Fund	35,937,808	35,937,808	0.44
7.	Government of Singapore	35,795,594	35,795,594	0.43
8.	Platinum International Fund	33,770,416	33,770,416	0.41
9.	Swiss Finance Corporation (Mauritius) Limited	32,202,625	32,202,625	0.39
10.	Platinum Asia Fund	31,047,415	31,047,415	0.38

*The investments by above entities through their sub-schemes with same PAN have been clubbed

11. Top Ten Bondholders of our Company

Our top ten debenture holders and the number of debentures held by them, as on June 30, 2015 are as follows:

Sl. No.	Name of the Debenture holder*	Total amount of Debentures held (₹ in crore)
1.	President of India	7,726
2.	CBT-EPF	3,725
3.	Life Insurance Corporation of India	3,407
4.	Army Group Insurance Fund	1,036
5.	National Thermal Power Corporation Limited Employees Provident Fund Trust	500

Sl. No.	Name of the Debenture holder*	Total amount of Debentures held (₹ in crore)
6.	NPS Trust	421
7.	ICICI Prudential	283
8.	SBI Life Insurance Company Limited	276
9.	TATA AIA Life Insurance Company Limited	259
10.	Max Life Insurance Company Limited	215

*The investments by above entities through their sub-schemes with same PAN have been clubbed.

12. Debt-equity ratio

The details of the debt-equity ratio of our Company on, standalone and consolidated, basis are set forth below.

(In ₹ crore)

Particulars	Standalone		Consolidated	
	Pre Issue*	Post Issue [#]	Pre Issue*	Post Issue [#]
Debt				
Long term Debt	78,532.33	79,232.33	93,362.92	94,062.92
Short Term Debt	-	-	640.15	640.15
Current maturities of Long term Debt	7,463.01	7,463.01	8,248.93	8,248.93
Total Debt (A)	85,995.34	86,695.34	102,252.00	102,952.00
Share Capital	8,245.46	8,245.46	8,245.46	8,245.46
Reserve and Surplus	73,411.89	73,411.89	73,848.52	73,848.52
Total Equity (B)	81,657.35	81,657.35	82,093.98	82,093.98
Debt Equity Ratio (A/B)	1.05	1.06	1.25	1.25

*Pre-Issue standalone and consolidated figures are as on March 31, 2015.

Post-Issue standalone and consolidated figures have been calculated based upon the assumption that the issue of ₹ 700 crore is fully subscribed and there is no change in shareholders' funds and short term debt subsequent to March 31, 2015.

13. This being an issue of tax-free secured redeemable non-convertible Bonds, to be issued at par, it shall have no impact on the securities premium account. Hence, securities premium account pre and post issue shall remain same, i.e., ₹ 2,228.47 crore.
14. Except as stated in the section on “*Description of Financial Indebtedness*”, our Company has not issued any debt securities at a premium or at a discount or pursuant to an option.
15. For information on outstanding borrowings of our Company (standalone) as at June 30, 2015 see “*Description of Financial Indebtedness*” on page 93.

OBJECTS OF THE ISSUE

This is a public issue by our Company of tax-free secured redeemable non-convertible Bonds of face value of ₹ 1,000 each in the nature of debentures having tax benefits under Section 10(15)(iv)(h) of the Income Tax Act, for an amount of ₹ 400 crore with an option to retain oversubscription of up to ₹ 300 crore for issuance of additional bonds aggregating to a total of up to ₹ 700 crore during fiscal 2016.

Utilisation of Issue Proceeds

Our Company proposes to utilise the funds which are being raised through the Issue, after deducting the Issue related expenses to the extent payable by our Company, estimated to be approximately ₹ [•], towards funding the following objects (collectively, referred to herein as the “**Objects**”).

1.	Objects of the Issue	The funds raised through this Issue will be utilized for incurring capital expenditure on the following renewable (solar) energy based power projects: 1. 250 MW Solar Photovoltaic Power Project in Anantpur District, Andhra Pradesh, 2. Other renewable energy (including solar energy) based power projects (“ Other Projects ”), and 3. General corporate purposes (not exceeding 25% percent of the amount raised in this Issue).
2.	Purpose for which there is a requirement of funds	The total funding required to meet the engineering, procurement and construction costs, infrastructure costs, project management costs, interest during construction etc. (including recoupment of expenditure already incurred) for Anantpur Solar Project is estimated to be ₹ 1,779.24 crore. Anantpur Project has been appraised by an independent agency and has been found viable. The report notes that transmission and evacuation infrastructure for the Anantpur Project would be provided by the Government of Andhra Pradesh and there is a possibility of delay in due completion of the above infrastructure by the time the project is completed. Additionally, the report notes that the project is subject to factors like determination of adverse tariff, sub-optimal performance, parallel investment in infrastructure for evacuation of power, grid stability, unavailability of tax benefits and unfavourable ratings by distribution companies.
3.	The funding plan	The Anantpur project is proposed to be funded by equity and debt. Debt proportion in total financing is proposed to be met by funds raised in this Issue and other sources including term loans, external commercial borrowings and domestic bond issuances.
4.	Schedule of implementation of the project	Completion of the Anantpur Project is envisaged in 1-2 years. For risks relating to the project, see “ Risk Factors ” on page 24.
5.	Utilisation for other power projects of the Company	The company will give priority to Anantpur Project for deployment of the funds mobilized. However, in case of any unforeseen delay in the execution of the Anantpur Project, the Company reserves the right to utilize the proceeds for, <i>inter alia</i> , funding of capital expenditure and refinancing for meeting the debt requirement in Other Projects, including recoupment of expenditure already incurred in the projects.
6.	Interim use of Proceeds	Pending utilization of the Issue proceeds for the purposes described above, we intend to temporarily invest the Issue proceeds in term deposits with Authorized Dealer - Category 1 banks in India, or otherwise as may be approved by the Board from time to time in accordance with applicable law.

The Company intends to add 10,000 MW to its capacity by way of renewable (solar) energy based power projects in future (“**Renewable Projects**”). The Government of Andhra Pradesh has, for the 1,000 MW solar photovoltaic project, identified 7,554.53 acres of land in Anantpur district.

The Issue proceeds are proposed to be utilised towards the first phase of Anantpur Project/Ananthapura Ultra Mega Solar Project and other renewable energy based power projects. The transmission and evacuation infrastructure for the Anantpur Project would be provided by the Government of Andhra Pradesh and is expected to be completed within a period of one-two year.

Any delay in due completion of the above infrastructure is likely to result in an adverse impact on operations, business prospects and profitability of the Company. Additionally, the Renewable Projects are subject to other risks including determination of adverse tariff, sub-optimal performance, parallel investment in infrastructure for evacuation of power, grid stability, unavailability of tax benefits and unfavourable ratings by distribution companies.

The main objects of the memorandum of association of our Company (“**Memorandum of Association**” or “**MoA**”) enable us to undertake the activities for which the funds are being raised in the Issue. Further, we confirm that the activities we have been carrying out until now are in accordance with the objects specified in our Memorandum of Association.

In accordance with SEBI Debt Regulations, our Company is not permitted to utilize the proceeds of the Issue for providing loans to or acquisitions of shares of any person who is a part of the same group as our Company or who is under the same management as our Company. Our Company is a public sector enterprise and, as such, we do not have any identifiable ‘group’ companies or ‘companies under the same management’. Further, the Issue proceeds shall be utilized in course of our normal business activities and shall not be utilized towards any purposes restricted under the Foreign Exchange Management (Borrowing or Lending in Rupees) Regulations, 2000, including investment in the stock market or in real estate business or for carrying on agricultural/plantation activities, purchase of shares/debentures/bonds issued by companies in India or for re-lending.

We shall utilize the Issue proceeds only after the execution of documents for creation of security as stated in “*Terms of the Issue*” on page 141, and on the listing of the Bonds.

Variation in terms of contract or objects

Our Company shall not, in terms of Section 27 of the Companies Act, 2013, at any time, vary the terms of the objects for which the Draft Prospectus is issued, except as may be prescribed under the applicable laws and under Section 27 of the Companies Act, 2013.

Purchase of Business or Business Interests

Our Company shall not use the Issue proceeds for the purchase of any business or purchase of any interest in any business whereby the Company shall become entitled to the capital or profit or losses or both in such business exceeding 50 per cent.

Benefit / interest accruing to Promoters/Directors out of the object of the Issue

Neither the Promoter nor the Directors of our Company are interested in the Objects of the Issue.

Monitoring of Utilization of Funds

In terms of the SEBI Debt Regulations, there is no requirement for appointment of a monitoring agency in relation to the use of proceeds of the Issue. The end use of the proceeds of the Issue will be reported in accordance with our Company’s reporting obligations under the applicable laws.

Issue Expenses

The following are the estimated Issue expenses:

Particulars	Estimated Issue Expenses* (₹ in crore)	Percentage of Issue Size (%)*
Fees payable to Intermediaries		
To the Registrar to the Issue and Depositories	[•]	[•]
To the Lead Managers	[•]	[•]
To the Auditors	[•]	[•]

To the Bond Trustee	[●]	[●]
To the Legal Counsel	[●]	[●]
Printing and dispatch of stationery and marketing expenses, brokerage and selling commission	[●]	[●]
Other Miscellaneous Expenses including Stock Exchange fees, Stamp Duty and Registration Charges	[●]	[●]
Total	[●]	[●]

*Above amounts are excluding service tax except in case of printing and dispatch of stationery expenses.

Our Company shall pay processing fees to the SCSBs for Applications Forms procured by the Consortium/brokers/sub-brokers/Trading Members and submitted to SCSBs for blocking the Application Amount of the Applicant, at the rate of ₹ [●] (excluding service tax, if any) per Application Form procured, as finalized by our Company. However, it is clarified that in case of ASBA Application Forms procured directly by the SCSBs, the relevant SCSBs shall not be entitled to any ASBA processing fee.

For more information, see “*Terms of the Issue - Utilisation of Issue Proceeds*” and “*Issue Procedure - Monitoring and Reporting of Utilisation of Issue Proceeds*” on page 152.

Other Confirmations

In accordance with the Debt Regulations, our Company will not utilize the proceeds of the Issue for providing loans to or for acquisitions of shares of any person who is a part of the same group as our Company or who is under the same management of our Company.

STATEMENT OF TAX BENEFITS

Under the current tax laws, the following possible tax benefits, inter alia, will be available to the Bond holders. This is not a complete analysis or listing of all potential tax consequences of the subscription, ownership and disposal of the Bonds, under the current tax laws presently in force in India. The benefits are given as per the prevailing tax laws and may vary from time to time in accordance with amendments to the laws or enactments described in this section. The Bondholders are advised to consider in their own case the tax implications in respect of subscription to the Bonds after consulting their own tax advisors, as alternate views or interpretations are possible, and tax benefits may be considered differently by the Indian Income Tax Authorities, the Government, Tribunals or Courts. We are not liable to the Bondholders in any manner for placing reliance upon the contents of this statement of tax benefits.

A. INCOME TAX

1. Interest from Bonds do not form part of Total Income.

- a) In exercise of power conferred by item (h) of sub clause (iv) of clause (15) of Section 10 of the Income Tax Act, 1961 (43 of 1961), the Central Government, vide Notification No. 59/2015 dated July 6th, 2015, has authorised NTPC Limited to issue through a public/private issue during financial year 2015-16, Tax-free, Secured Redeemable Non-convertible Bonds for the aggregate amount not exceeding Rs.1,000 crore subject to the conditions as prescribed in the said notification.

It shall be mandatory for the subscribers of such Bonds to furnish their permanent account number to the issuer.

- b) Section 10(15)(iv)(h) of the Income Tax Act, 1961 provides that in computing the total income of a previous year of any person, interest payable by any public sector company in respect of such bonds or debentures and subject to such conditions, including the condition that the holder of such bonds or debentures registers his name and the holding with that company, as the Central Government may, by Notification in the Official Gazette, specify in this behalf shall not be included in the total income.

Further, as per Section 14A(1), no deduction shall be allowed in respect of expenditure incurred by the assessee in relation to said interest as it does not form part of the total income.

Section 2(36A) of Income Tax Act, 1961 defines "Public Sector Company" as any corporation established by or under any Central, State or Provincial Act or a Government Company as defined in Section 617 of the Companies Act, 1956 (1 of 1956)*.

* Section 2 (45) of the Companies Act, 2013.

- c) Since the interest income on the Bonds is exempt, no tax deduction at source ("TDS") is required. However interest on application money would be liable for TDS as well as would be subject to tax as per present tax laws.

2. CAPITAL GAIN

- a) Under Section 2 (29A) of the Income Tax Act, 1961 read with section 2 (42A) of the Income Tax Act, 1961, a listed Bond is treated as a Long Term Capital Asset if the same is held for more than 12 months immediately preceding the date of its transfer.

Under Section 112 of the Income Tax Act, 1961, capital gains arising on the transfer of Long Term Capital Assets being listed securities are subject to tax at the rate of 20% of the Capital Gains calculated after reducing indexed cost of acquisition or 10% of the capital gains without indexation of the cost of acquisition. The capital gains will be computed by deducting expenditure incurred in connection with such transfer and cost of acquisition/indexed cost of acquisition of the Bonds from the sale consideration.

However as per third proviso to Section 48 of Income Tax Act, 1961 benefits of indexation of cost of acquisition under second proviso of Section 48 of Income Tax Act, 1961 is not available in case of bonds and debentures, except capital indexed bonds. Thus, Long Term Capital Gain Tax can be considered at a rate of 10% on listed bonds without indexation.



Securities Transaction Tax ("STT") is a tax being levied on all transactions in specified securities done on the stock exchanges at rates prescribed by the Central Government from time to time. **However, STT is not applicable on transactions in the Bonds.**

In case of an individual or Hindu Undivided Family ("HUF"), being a resident, where the total income as reduced by the long term capital gains is below the maximum amount not chargeable to tax like for Assessment Year 2016-17 Rs.2,50,000 in case of resident citizens of less than 60 years of age, Rs.3,00,000 in case of resident senior citizens of 60 or more years of age (on any day of the previous year) and Rs.500,000 in case of resident super senior citizens of 80 years or more of age (on any day of the previous year), the long term capital gains shall be reduced by the amount by which the total income as so reduced falls short of the maximum amount which is not chargeable to income-tax and at the tax on the balance of such long-term capital gains shall be computed at the rate of ten per cent in accordance with and the proviso to sub-section (1) of section 112 of the Income Tax Act, 1961 read with CBDT Circular 721 dated September 13, 1995.

Surcharge @12% is applicable for assesseees having total income exceeding rupees one crore subject to marginal relief.

2% education cess and 1% secondary and higher education cess on the total income tax (including surcharge wherever applicable) is payable by all categories of tax payers.

- b) Short-term capital gains on the transfer of listed bonds, where Bonds are held for a period of not more than 12 months would be taxed at the normal rates of tax in accordance with and subject to the provision of the Income Tax Act, 1961.

The provisions related to minimum amount not chargeable to tax, surcharge and education cess described at para (a) above would also apply to such short-term capital gains.

- c) Under Section 54 EC of the Income Tax Act, 1961 and subject to the conditions and to the extent specified therein, long term capital gains arising to the Bondholders on transfer of their Bonds shall not be chargeable to tax to the extent such capital gains are invested in certain notified Bonds within six months from the date of transfer. If only part of the capital gain is so invested, the exemption shall be proportionately reduced. However, if the said notified Bonds are transferred or converted into money within a period of three years from their date of acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long term capital gains in the year in which the Bonds are transferred or converted into money. Where the benefit of Section 54 EC of the Income Tax Act, 1961 has been availed on investments in the notified Bonds, a deduction from the income with reference to such cost shall not be allowed under Section 80 C of the Income Tax Act, 1961.

For purpose of availing exemption from tax on capital gains, the investment made in the notified Bonds by an assessee during the financial year in which the original asset is transferred and in the subsequent financial year cannot exceed Rs. 50.00 lakh.

- d) As per the provisions of Section 54F of the Income Tax Act, 1961 and subject to conditions specified therein, any long-term capital gains (not being residential house) arising to a Bondholder who is an individual or HUF, are exempt from capital gains tax if the entire net sales considerations is utilized, within a period of one year before, or two years after the date of transfer, in purchase of a new residential house, or for construction of one residential house in India (hereafter referred to the new asset) within three years from the date of transfer. If only a part of such net sales consideration is invested within the prescribed period in the new asset, then such gains would be chargeable to tax on a proportionate basis.

Provided that nothing contained above shall apply where the said Bondholder owns more than one residential house other than the new asset, on the date of transfer of such original asset or purchase any residential house, other than the new asset, within a period of one year after the date of transfer of such original asset or constructs any residential house, other than the new asset, within a period of three years after the date of transfer of such original asset and the income from such residential house other than the one residential house owned on the date of transfer of such original asset, is chargeable under the head Income from House Property. If the new asset in which the investment has been made



is transferred within a period of three years from the date of its purchase or construction, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such new asset is transferred. Similarly, if the Bondholder purchases within a period of two years or constructs within a period of three years after the date of transfer of capital asset, another residential house (other than the new asset referred above), then the original exemption will be taxed as capital gains in the year in which such residential house is purchased or constructed.

- e) Under Section 195 of Income Tax Act, income tax shall be deducted from any sum payable to Non-Residents on long term capital gain or short term capital gain arising on sale and purchase of Bonds at the rate specified in the Finance Act of the relevant year or the rate or rates of the income tax specified in an agreement entered into by the Central Government under section 90, or an agreement notified by the Central Government under section 90A, as the case may be. In case the tax is deducted at the rate as specified under the relevant agreement entered into by the Central Government under section 90 then it shall be mandatory for the subscribers of such Bonds to furnish their Tax Residency Certificate (TRC) and Form 10F in format as prescribed by CBDT failing which income tax shall be deducted at the rate specified in the Finance Act of the relevant year.
- f) The income by way of short term capital gains or long term capital gains (not covered under Section 10(38) of the Act) realized by Foreign Institutional Investors on sale of security in the Company would be taxed at the following rates as per Section 115AD of the Income Tax Act, 1961:
- Short term capital gains - 30% (plus applicable surcharge and education cess); and
 - Long term capital gains - 10% without cost of indexation (plus applicable surcharge and education cess)

As per section 90(2) of the Income Tax Act, 1961, the provisions of the Act, would not prevail over the provision of the tax treaty applicable to the non-resident to the extent that such tax treaty provisions are more beneficial to the non resident. Thus, a non resident can opt to be governed by the beneficial provisions of an applicable tax treaty. However, to avail the above mentioned benefit of the applicable tax treaty the Foreign Institutional Investors has to mandatorily furnish its Tax Residency Certificate (TRC) and Form 10F in format as prescribed by CBDT failing which the benefit of applicable tax treaty would not be extended.

- g) However under section 196D(2), no deduction of tax shall be made from any income, by way of capital gain arising from the transfer of securities referred to in Section 115AD, payable to Foreign Institutional Investors.

3. Bonds held as Stock in Trade

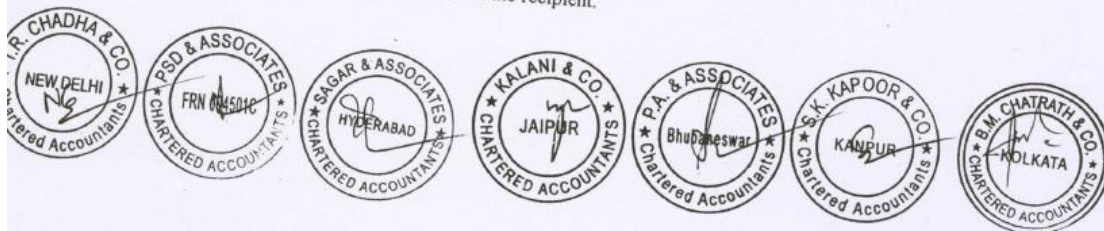
In case the Bonds are held as stock in trade, the income on transfer of the Bonds would be taxed as business income or loss in accordance with and subject to the provisions of the Income Tax Act, 1961.

4. Taxation on gift

As per section 56(2)(vii) (c) of the Income Tax Act, 1961 in case where individual or HUF receives Bonds from any person on or after 1st October, 2009 –

- A. without any consideration, aggregate fair market value of which exceeds fifty thousand rupees, then the whole of the aggregate fair market value of such bonds/debentures or;
- B. for a consideration which is less than the aggregate fair market value of the Bonds by an amount exceeding fifty thousand rupees, then the aggregate fair market value of such bonds/debentures as exceeds such consideration;

shall be taxable as the income of the recipient.



Provided further that this clause shall not apply to any sum of money or any property received

- a) from any relative as defined in the Explanation to this Section; or
- b) on the occasion of the marriage of the individual; or
- c) under a will or by way of inheritance; or
- d) in contemplation of death of the payer or donor, as the case may be; or
- e) from any local authority as defined in the Explanation to clause (20) of section 10; or
- f) from any fund or foundation or university or other educational institution or hospital or other medical institution or any trusts or institution referred to in clause (23C) of section 10; or
- g) from any trusts or institution registered under section 12AA.

B. WEALTH TAX

Wealth Tax has been abolished w.e.f. F.Y. 2015-16 (A.Y. 2016-17).

For T.R. Chadha & Co.
Chartered Accountants
FRN 006711

Neena Goda
(Neena Goda)
Partner
M. No.057986



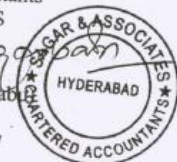
For PSD & Associates
Chartered Accountants
FRN 004501C

Thalendra Sharma
(Thalendra Sharma)
Partner
M. No.079236



For Sagar & Associates
Chartered Accountants
FRN 003510S

V. Vidyasagar Babu
(V. Vidyasagar Babu)
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M. No.027357




For Kalani & Co.
Chartered Accountants
FRN 000722

Vikas Gupta
(Vikas Gupta)
Partner
M. No.077076



For P. A. & Associates
Chartered Accountants
FRN 313085E

Prashant Shekhar Panda
(Prashant Shekhar Panda)
Partner
M. No.051092



For S. K. Kapoor & Co.
Chartered Accountants
FRN 000743C

Sanjiv Kapoor
(Sanjiv Kapoor)
Partner
M. No.070487



For B. M. Chatrath & Co.
Chartered Accountants
FRN 301011E

Arindam Ray
(Arindam Ray)
Partner
M. No.058713



Place: New Delhi
Date : September 9, 2015

SECTION IV- ABOUT OUR COMPANY

INDUSTRY OVERVIEW

The information in this section has been obtained or derived from publicly available documents prepared by various sources, including officially prepared materials from the Government of India and its various ministries and from various multilateral institutions. This information has not been prepared or independently verified by us or any of our advisors including the Lead Managers, and should not be relied on as if it had been so prepared or verified. Unless otherwise indicated, the data presented exclude captive generation capacity and generation.

THE INDIAN ECONOMY

According to IMF World Economic Outlook April, 2015, India ranks seventh globally in terms of GDP at current prices. and is expected to grow at 7.5 per cent in 2016.

India's economy has witnessed a significant economic growth in the recent past, growing by 7.3 per cent in 2015 as against 6.9 per cent in 2014. The size of the Indian economy (real GDP 2011-12 prices) is estimated to be at Rs 106.44 lakh crore for the year 2014-15 compared to ₹ 99.21 lakh crore in 2013-14. (Source: Ministry Of Statistics And Programme Implementation Government of India, provisional estimates).

THE INDIAN POWER SECTOR

Overview of the Indian Power Sector

The Indian power sector is one of the most diversified in the world. Sources for power generation range from conventional sources like coal, lignite, natural gas, oil, hydro and nuclear power to other viable non-conventional sources like wind, solar and agriculture and domestic waste. Sustained growth of the power sector is critical for achieving high economic growth targets of India. Government's focus on attaining "24x7 Power for All" has accelerated capacity addition in the country and at the same time it has resulted in increasing competition.

The power sector has evolved from a dominantly public sector environment to a more competitive power sector with many private producers. The performance of the power sector shows many positive features, especially relating to the pace of addition to power generation. The capacity addition excluding Renewable Energy Sources during the first 3 years of 12th Plan is 61014 MW which has not only exceeded the capacity addition of 54964 MW of the entire 11th Plan but also constitutes 68.9% of the total 12th Plan target of 88537 MW. The total installed power generation capacity in India was 274,817.94 MW as of June 30, 2015. (Source: CEA Executive Summary for June 2015, Central Electricity Authority, Ministry of Power, GoI). Electricity generation during FY 2014-15 has crossed 1 trillion units and registers a growth of 8.4% (Source: CEA, MoP). The total renewable capacity in the Country is as depicted in the chart below:

35777 MW grid interactive RES capacity as on 31.03.2015 (MW)



Source: CEA Executive Summary for June 2015, Central Electricity Authority, Ministry of Power, GoI

Further, the quest for energy independence, economic growth, and environmental sustainability increasingly suggests the importance of renewable energy sources. GoI has set an ambitious target of renewable energy capacity of 1,75,000 MW by 2022 comprising of 1,00,000 MW Solar, 60,000 MW Wind, 10,000 MW Biomass and 5,000 MW Small Hydro Power (Source : MNRE).

Amidst the positive developments in the sector, the problems relating to fuel supply and also problems relating to the financial viability of the operation of the distribution companies still remain to be resolved.

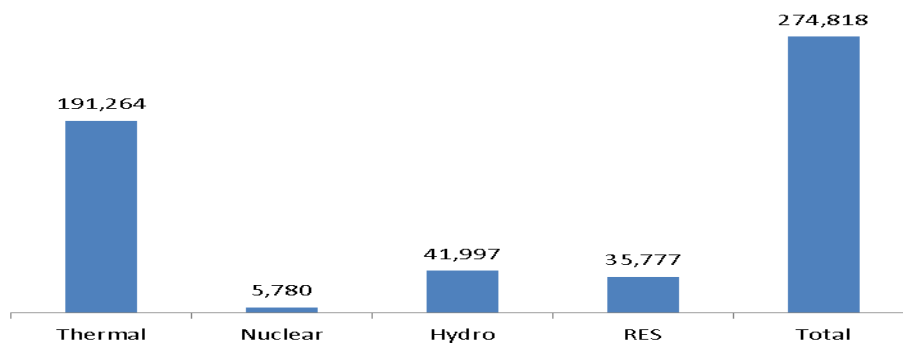
Supply of Electricity in India

Historical Capacity Additions

Each successive Five Year Plan of the Government has had increased targets for the addition of power generation capacity. From 42,584.72 MW which was the installed capacity at the end of the 6th Five Year Plan, the installed capacity as of the end of the 11th Five Year Plan was 199,877 MW. (Source: CEA Executive Summary for March 2015, Central Electricity Authority, Ministry of Power, GoI)

Current Capacity

Out of India's total installed capacity of 274,817.94 MW as of June 30, 2015, the installed capacity of thermal, hydro, renewable energy and nuclear sources accounted for approximately 70%, 15%, 13% and 2%, respectively. (Source: CEA Executive Summary for June 2015, Central Electricity Authority, Ministry of Power, GoI)



Note: Chart data is in MW; Captive generation, capacity is not included in the total (Source: CEA Executive Summary for June 2015, Central Electricity Authority, Ministry of Power, GoI)

Actual Power Supply Position During 2014-15

During the year 2014-15, though the total ex-bus energy availability increased by 7.4% over the previous year and the peak met increased by 8.7%, the shortage conditions prevailed in the Country both in terms of energy and peaking availability as given below:

	Energy (MU)	Peak (MW)
Requirement	1,068,923	148,166
Availability	1,030,785	141,160
Surplus(+)/ Shortage (-)	-38,138	-7,006
Surplus(+)/ Shortage(-) %	-3.6	-4.7

The energy requirement registered a growth of 6.7% during the year against the projected growth of 4.6% and Peak demand registered a growth of 9.0% against the projected growth of 8.8%. (Source: Load Generation Balance Report 2015-16)

Anticipated Power Supply Position during 2015-16

During the year 2015-16, there would be anticipated energy shortage of 2.1% and peak shortage of 2.6%. The annual energy requirement and availability and peak demand and peak availability in the country are given in the Table below.

Particulars	Energy (MU)	Peak (MW)
Requirement	1,162,423	156,862
Availability	1,138,346	152,754
Surplus(+)/ Shortage (-)	-24,077	-4,108
Surplus(+)/ Shortage(-) %	-2.1	-2.6

(Source: CEA Load Generation Balance Report (2015-16), Central Electricity Authority, Ministry of Power, GoI)

To keep up the pace of capacity addition and generation, GoI has proposed 5 new Ultra Mega Power Projects (UMPPs) of 20 GW attracting an investment of more than ₹1 lakh crore. (Source : MoP)

Demand for Electricity in India

Per Capita Electricity Consumption in India

The per capita consumption of power in India remains relatively low compared to other major economies. For financial year 2014-15 the per capita consumption of electricity in India was 1010 kWh (provisional). (Source: CEA Executive Summary for April 2015, Central Electricity Authority, Ministry of Power, GoI). The per capita power consumption is low because large swaths of population are yet to get access to electricity; population to the tune of ~28 crore is without access to power (Source: MoP).

The energy requirement shall go up once the latent demand is unlocked. GoI has also set a target to provide 24x7 Power for all by 2019 (Source: CEA; MoP).

BUSINESS

Overview

We are the largest power producer in India in terms of both installed capacity and generation, with aggregate installed capacity of 44,398 MW (including 38,202 MW through directly owned units and 6,196 MW through Subsidiaries and Joint Ventures) as on March 31, 2015. As on that date our capacity excluding renewable but including capacity of Subsidiary and Joint Ventures represented market share of 18.77% of India's total installed capacity and we generated 260.58 billion units of power, representing market share of 24.95% of India's total power generation in fiscal 2015. (Source: CEA) In the calendar year 2014, we were ranked as the number one independent power producer (“IPP”) and energy trader in the world, on the basis of asset worth, revenues, profits and return on invested capital, according to a survey conducted by Platts.

As on the date of this Draft Prospectus, our total installed capacity has increased to 45,548 MW of which 39,352 MW is directly through our Company, which includes a total of 26 power stations, comprised of 18 coal-based stations, 6 gas-based stations, 1 liquid fuel-based station and 1 hydro based station across India. In addition, we also have 8 renewable energy projects. While our core business is the generation and sale of electricity in India, we are a diversified and integrated player in the power sector, as we are also engaged in various other complementary businesses, seeking to support our core business and to leverage our technical and operational skills as well as our client and knowledge base in India and abroad. Our complementary activities, conducted in some cases through our Subsidiaries and Joint Ventures, include project consultancy (including services such as engineering, operation and maintenance management, project management, contracts and procurement management, quality management, training and development), power trading, electricity distribution and manufacture of equipment used in the power business. For information on our Subsidiaries and Joint Ventures, see “*History and Certain Corporate Matters*” and “*Annexure A - Financial Information*” on pages 75 and 192, respectively. We have also been allotted 8 (eight) coal blocks for captive use in power plants which are under different phases of development.

Our Company is a Government company, which was conferred ‘Navaratna’ status by the Government of India in 1997 and upgraded to ‘Maharatna’ status in 2010. Our Company's shares are listed on BSE and NSE since November 2004.

Strengths

Leadership position in the Indian power sector

In calendar year 2014, our Company ranked as the number one IPP and energy trader in the world, on the basis of asset worth, revenues, profits and return on invested capital, according to a survey conducted by Platts. Our Company ranked 431st overall on the Forbes Global 2000 list of the year 2015, and 379th among companies worldwide in terms of profit and 616th among companies worldwide in terms of market value. We have also received several other prestigious awards and recognitions over the years, from various industry and other bodies. Our company's directly owned power stations are under Integrated Management System (IMS) consisting (certification) of Quality Management System (ISO 9001), Environment Management System (ISO 14001) and Safety & Health management System (IS 18001).

We believe that we enjoy considerable economies of scale and other benefits, including strong brand value, as a result of our leadership position, scale of operations and diversified presence across the Indian power sector.

Robust financial position

In fiscal 2015, our total revenue aggregated to ₹ 82,700.95 crore and ₹ 75,362.37 crore on consolidated and standalone basis, respectively, including income from operations (net) aggregating to ₹ 80,622.04 crore and ₹ 73,246.05 crore on consolidated and standalone basis, respectively, and our profit after tax was ₹ 9,986.34 crore and ₹ 10,290.86 crore, on consolidated and standalone basis, respectively. In the quarter ended June 30, 2015, as per our unaudited limited review results for that period, our total income from operations (net) was ₹ 17,084.58 crore, including income from net sales (net of electricity duty) of ₹ 17,018.69 crore and our net profit after tax was ₹ 2,135.35 crore. As on March 31, 2015, our debt to equity ratio was 1.25 on a consolidated basis and 1.05 on a standalone basis, our debt service coverage ratio was 2.27 on a consolidated basis and 2.44 on a standalone basis, and our interest service coverage ratio was 5.54 on a consolidated basis and 6.72 on a standalone basis.

We believe that our strong financial position allows us considerable flexibility as to our plans for our future growth, including in terms of our ability to make investments in business diversification, research and development, corporate social responsibility and sustainable development, as well as constituting a competitive advantage and entry barrier in the Indian power sector, *vis-à-vis* other players. In particular, we believe that our strong financial ratios and credit ratings enable us to have ready access to domestic and international credit markets. Our Maharatna status (and previously, our Navaratna status) is also based on our qualification as per certain prescribed financial criteria (i.e., including our track record of net profit as well as our net worth and turnover).

Government support

The President of India acting through the MoP is the Promoter of our Company. In addition, we are one of only seven companies that have been granted Maharatna status by the GoI. The grant of Maharatna status by the GoI in May 2010, further to Navaratna status having been granted to us in 1997, provides our Company with an appreciable degree of financial and operational flexibility.

We believe that we derive a strategic advantage from our strong relationship with the Central and various State Governments as well as State-owned utilities. In particular, we believe that government support has been critical in securing the settlement of outstanding dues owed to us by the various SEBs in the past (i.e., prior to the one-time settlement entered into in 2002 by way of tripartite agreements executed for various States, among the Government, the respective State power utilities and RBI). As a Government company, we also have the benefit of Government-appointed Directors on our Board, with each of our Directors possessing several years of industry and management experience, key industry relationships and professional qualifications as well as other credentials.

Long-term agreements for coal and gas supply as well as for sale of electricity, providing cash flow visibility

We believe that our long-term fuel supply contracts, including for coal, natural gas and re-gasified liquefied natural gas, help us to generate power at competitive prices by allowing greater predictability and better planning of fuel supplies.

Further, we believe that our long-term contracts for sale of energy provide us with an appreciable degree of cash flow visibility and financial stability, therefore, allow us to effectively plan for our future growth and diversification along the power value chain.

Effective project implementation and risk management, including through investment in technology

We have an integrated web-based collaborative Project Monitoring Centre, set up in 2010 for facilitation of fast-track project implementation, monitoring key project milestones and consolidation and resolution of project-related issues. We also have an integrated Enterprise Resource Planning (“ERP”) platform to monitor and control critical project activities across functions such as engineering, contracts, finance and execution. Our ERP platform, deployed through a centralized data center at Noida with a disaster recovery center at Hyderabad, includes modules that automate business processes and provide business intelligence on a real-time basis. In addition, we rely on a 3-tier Integrated Project Management Control System (“IPMCS”), which integrates engineering management, contract management and construction management control centres and addresses all stages of project implementation from concept to commissioning, with the objective of ensuring effective resource utilization, reliability, monitoring of time and cost and reduction in our average implementation time (i.e., the period between the award of the boiler, turbine and generator contracts and unit commissioning). The Project Monitoring Centre, ERP and IPMCS also act as decision support systems for our management, based on a holistic approach towards project implementation. We also maintain a communication network between our sites and corporate office to enable smooth conduct of business transactions and management information systems.

We have also taken measures to institutionalize our risk management process, by implementing an enterprise risk management framework. In FY 2008-09, we had constituted Enterprise Risk Management Committee which was responsible for identifying and reviewing risks and formulating strategies for risk mitigation. On November 28, 2014, this committee was substituted by another committee namely “Risk Management Committee” of Board of Directors. The Risk Management Committee finalizes risk assessment under Risk

Management Framework, informs the Board about risk assessment and actions required to be taken or already taken for mitigating the risks.

Skilled human resources and employee development

We believe that our employees possess a level of competence and commitment that provides us with a key competitive advantage. Our senior executives have extensive experience in our industry and many of them have been with us for a significant portion of their careers. In particular, we believe that our whole-time Directors, namely, Mr. Anil Kumar Jha who is Director (Technical) and also holds additional charge of Chairman and Managing Director, Mr. Kulamani Biswal, Director (Finance), Mr. Umesh Prasad Pani, Director (Human Resources), Mr. Subhash Chandra Pandey, Director (Projects), and Mr. Kaushal Kishore Sharma who is Director (Operations) have contributed significantly to our growth and will continue to do so going forward. The charge of Director (Commercial) is presently held by Director (Human Resources) due to resignation of Mr. I.J. Kapoor upon being appointed a member of the Appellate Tribunal of Electricity.

Competence building, commitment building, culture building and systems building are the 4 building blocks on which our human resources systems are based, and our human resources vision is “to enable our people to be a family of committed world class professionals”. We have adopted a people-first approach and believe that our continuing initiatives have strengthened our identity as a preferred employer. Our Company continues to win laurels in various fields and has been adjudged as the best company to work for 2015 in the Public Sector category and also rated as the best company to work in Energy, Oil and Gas Industry, in a study carried out by Great Place to Work and Economic Times.

Commitment towards corporate social responsibility

Our spirit of caring and sharing is embedded in its mission statement. We have a comprehensive Resettlement & Rehabilitation (R&R) policy covering community development (“CD”) activities which has been revised and updated from time to time. CD activities in green field area are initiated as soon as project is conceived and there after extensive community / peripheral development activities are taken up along with the project development. Separate CSR community Development Policy, formulated in July 2004 and Sustainability Policy have been combined and revised in 2014-15 as “NTPC Policy for CSR & Sustainability” in line with Companies Act 2013. It covers a wide range of activities including implementation of key programmes to support physically challenged and economically marginalized sections of society through a 'NTPC Foundation' a trust of NTPC.

CSR & Sustainability programs undertaken by us include activities specified in Schedule VII of the Companies Act 2013 & rules made there under and any other activity for benefit of community at large. Focus areas of our CSR & Sustainability activities are Health, Sanitation, Drinking Water, Education, Capacity Building, Women Empowerment, Social Infrastructure Development, support to Physically Challenged Person (PCPs), and activities contributing towards Environment Sustainability.

We have enhanced our allocation for CSR and Sustainable Development activities to 2% of the average of net profit of previous 3 years with effect from financial year 2014-15. During the financial year 2014-15, an amount of ₹ 205.18 crore was incurred on CSR and sustainable development by the Company.

We commit ourselves to contribute to the society, discharging our Corporate Social Responsibilities through initiatives that have positive impacts on society at large, especially the community in the neighborhood of our operations by improving the quality of life of the people, promoting inclusive growth and environmental sustainability"

We also participated in clarion call on “Swachh Vidyalaya Abhiyan” by our Hon'ble Prime Minister and took up construction of about 24,000 toilets in government schools covering 17 states and 83 districts across the country. We have joined Global Compact, a United Nations initiative, and are committed to following its principles in the areas of human rights, labour standards, the environment and anti-corruption. We also have a dedicated environment management group at each power station. We have set up the Centre for Power Efficiency and Environmental Protection for greenhouse gas reduction, improvement in efficiency and reliability in local conditions at our power stations, and have undertaken an afforestation initiative and taken steps for environmentally friendly and sustainable extraction and utilization or disposal of fly ash at our power stations.

Strong corporate governance

We believe that corporate governance, vigilance mechanisms and transparency to stakeholders are critical to improving our efficiency and quality of decision making. In addition to complying with the corporate governance provisions of the listing agreements that our Company has entered into with BSE and NSE, we have set up a Vigilance Department headed by the Chief Vigilance Officer, who reports to the Central Vigilance Commission as well as our Board. We also have a Fraud Prevention Policy in place, and have signed an integrity pact with Transparency International, India in December 2008, to bring about more transparency in our public procurement process (pursuant to which we implement the integrity pact for contracts of value exceeding ₹ 10 crore), and engage 2 independent External Monitors nominated by the Central Vigilance Commission for contracts of value exceeding ₹ 100 crore. We have received a number of corporate governance related awards and recognitions in recent years.

Customer focus

We have implemented a Customer Relationship Management (“CRM”) program, as a part of which we provide support services to customers, such as technical and managerial training for skill enhancement, technical services for efficiency and performance improvement in our customers’ areas of operation. In order to receive feedback from customers, we have also implemented a customer satisfaction index model.

We believe that our diversified presence across the power value chain also allows us to provide a wide range of services to our customers and to leverage our existing competencies and customer relationships to expand our business offerings and customer relationships in other areas, on an on-going basis.

Strategies

Focus on market leadership and opportunities for organic and inorganic growth

We seek to continue to increase our generating capacity to maintain and grow our business and remain the largest Indian power producer. For the Twelfth Plan period, our target is to add 11,920 MW capacity. We have prepared a long-term corporate plan with a target of installed capacity of 128,000 MW by 2032, with a diversified fuel mix comprising 56% coal, 16% gas, 11% nuclear, 8% hydro and 9% renewable energy sources. With non-fossil fuel based generation capacity constituting 28% of our portfolio we are moving towards carbon free energy sources, and our coal-based capacity is being increasingly based on high-efficient-low-emission technologies such as supercritical and ultra-supercritical technologies of our machinery at our power stations.

In this relation, in particular, we seek to expand our presence in renewable energy projects and also to develop a portfolio of generation assets in international markets. With this objective, we are pursuing several projects that are in various stages of development and are also updating our contracting, engineering and other processes and exploring opportunities for forward and backward integration and organic as well as inorganic growth across the power value chain.

Pursue fuel security and diversify fuel mix

We believe that fuel security and a diversified fuel mix are critical to a power generation company. Accordingly, we seek to continue pursuing our fuel requirements through a multi-pronged strategy of procuring fuel through long-term contracts, short-term or spot purchases and through developing domestic coal mines and partnering for development of fuel transportation infrastructure, as well as pursuing oil and gas exploration. Our overall objective in this regard is to ensure better control, greater security and reliability of fuel supply as well as developing and expanding diversified sources of fuel that will reduce our exposure to cyclicity or downturns in specific geographical or market segments and sub-segments as well as our dependence on any specific fuel sources or any given large-scale power generation projects. We have also been allotted 8 (eight) coal blocks for captive use in power plants which are under different phases of development.

We are progressively diversifying our fuel mix, including through development of renewable energy projects such as hydropower, wind and solar energy projects, and other non-renewable projects such as nuclear power projects. Going forward, we seek to gradually decrease our reliance on fossil fuel sources of generation.

Adopt advanced technologies and focus on research and development

To keep abreast of global technological advances in power generation and to sustain and enhance our operational efficiency, we have developed a long-term technology roadmap for the introduction of high-efficiency, ‘clean’ technologies and equipment. We have already inducted supercritical technology and are in the process to introduce ultra supercritical technology at our new project stations. Under Government of India mission, NTPC, IGCAR and BHEL are jointly developing Advance Ultra Supercritical Technology indigenously. We also seek to use advanced technologies in the renovation and modernization of our aging power stations. The overall objective is to develop and leverage our technological and engineering competencies in order to expand our product and service offerings as well as customer relationships across the power value chain.

We seek to continue applied research to improve the performance of our power stations, through investment in research and development initiatives NTPC as the leading power utility of the country has assigned 1% of PAT for R&D activities. Company has focused its research efforts to address the major concerns of the sector as well as the futuristic technology requirements of the sector. In this effort, company has established NTPC Energy Technology Research Alliance (NETRA) as state-of-the-art centre for research, technology development and scientific services in the domain of electric power to provide scientific support to our generating power stations, with a focus on areas such as new and renewable energies including solar thermal, solar PV, geothermal, waste heat recovery, waste and water management, climate Change, artificial intelligence and robotic based systems. NETRA has networked with National Institutes like Indian Institutes of Technology, Indian Institute of Science, Bangalore, C-DAC, NML, CSIR labs, IOCL R&D, CPRI and Geological Survey of India, among others, and international institutes like DLR Cologne, Germany and ISE Fraunhofer for collaborative research in the above areas.

The Company intends to add 10,000 MW to its capacity by way of renewable (solar) energy based power projects in future (“**Renewable Projects**”). The Government of Andhra Pradesh has, for the 1,000 MW solar photovoltaic project, identified 7,554.53 acres of land in Anantpur district. The transmission and evacuation infrastructure for the Anantpur Project would be provided by the Government of Andhra Pradesh and is expected to completed within a period of one-two year. We adopted super critical technologies in the year 2004. Further, we adopted ultra super critical technologies for our 1,320 MW (660x2) project at Khargone thermal power plant, which may result in saving of 154 kcal in station heat rate.

Our power stations

The details of installed capacity of our directly-owned power stations as on the date of this Draft Prospectus is set out below:

Sl. No.	Station	Fuel Type	Installed Capacity (MW)
1	Badarpur	Coal	705
2	Barh-II	Coal	1320
3	Bongaigaon	Coal	250
4	Dadri	Coal	1,820
5	Farakka	Coal	2,100
6	Kahalgaon	Coal	2,340
7	Korba	Coal	2,600
8	Mouda	Coal	1,000
9	Ramagundam	Coal	2,600
10	Rihand	Coal	3,000
11	Simhadri	Coal	2,000
12	Singrauli	Coal	2,000
13	Sipat	Coal	2,980
14	Talcher Kaniha	Coal	3,000
15	Talcher Thermal	Coal	460
16	Tanda	Coal	440
17	Unchahar	Coal	1,050
18	Vindhyachal	Coal	4,760
Total coal stations			34,425
19	Anta	Gas	419

20	Auraiya	Gas	663
21	Dadri	Gas	830
22	Faridabad	Gas	432
23	Jhanor Gandhar	Gas	657
24	Kawas	Gas	656
25	Rajiv Gandhi CCP	Liquid Fuel	360
Total gas stations			4,017
26	Koldam	Hydro	800
Total hydro stations			800
27	Andaman & Nicobar Islands	Solar PV	5
28	Dadri	Solar PV	5
29	Faridabad	Solar PV	5
30	Rajgarh	Solar PV	50
31	Ramagundam	Solar PV	10
32	Singrauli	Solar PV	15
33	Talcher	Solar PV	10
34	Unchahar	Solar PV	10
Total Solar PV			110
Total			39,352

In addition to the above projects that we directly own and operate, the total installed capacity of projects owned and operated through our Subsidiaries and Joint Ventures aggregated to 6,196 MW as on the date of this Draft Prospectus, including 4,229 MW from coal-based projects and 1,967 MW from gas-based projects.

Certain key operational parameters for the preceding 3 financial years and 3 (three) months ended June 30, 2015:

The following table presents certain key operating data of our Company for the preceding 3 years and the 3 (three) months ended June 30, 2015, on a standalone basis:

(In ₹ crores)

Description	Unit	Fiscal 2013	Fiscal 2014	Fiscal 2015	3 months ended June 2015
Generation	BU	232.028	233.284	241.261	58.696
Availability Factor(DC)					
- Coal Stations	%	87.63	91.79	88.69	91.61
- Gas Stations	%	93.14	95.24	92.18	96.58
Plant Load Factor					
- Coal Stations	%	83.08	81.50	80.23	77.58
- Gas Stations	%	55.98	35.72	32.93	28.47

Key Financial Parameters

Certain key financial parameters for our Company for fiscal 2015, 2014 and 2013 are set forth below.

(In ₹ crores)

Parameters	2014-15		2013-14*		2012-13*	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
For non financial entities						
Net worth	81,657.35	82,093.98	85,815.32	87,329.72	80,387.51	81,475.88
Total debt	85,995.34	102,252.00	67,170.22	81,454.98	58,146.30	70,418.78
of which - Non current maturities of long term borrowing	78,532.33	93,362.92	62,405.75	75,542.30	53,253.66	64,587.72
- Short term	-	640.15	-	433.64	-	382.16

Parameters	2014-15		2013-14*		2012-13*	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
borrowing						
- Current maturities of long term borrowing	7,463.01	8,248.93	4,764.47	5,479.04	4,892.64	5,448.90
Net fixed assets	135,342.56	159,407.09	116,999.50	138,032.32	100,045.52	118,386.73
Non current assets	159,721.29	177,784.53	139,684.43	155,659.74	120,307.76	134,250.29
Cash & bank balances (including cash & cash equivalents)	12,878.81	14,251.61	15,311.37	17,050.67	16,867.70	18,738.12
Current investments	1,878.06	1,887.39	1,636.96	1,636.96	1,622.46	1,622.46
Current assets	37,363.43	41,791.62	39,869.75	44,385.39	40,808.70	44,460.29
Current liabilities	30,519.52	35,946.33	25,279.80	29,665.11	22,606.18	26,698.54
Net Sales	72,637.75	79,943.97	71,602.63	78,478.70	64,316.38	70,611.05
EBITDA [#]	16,085.60	17,512.28	17,807.75	19,698.70	17,196.12	18,198.50
EBIT [#]	11,173.95	11,947.67	13,665.56	14,928.71	13,799.36	14,375.28
Finance Costs**	2,743.62	3,570.37	2,406.59	3,203.07	1,924.36	2,480.54
PAT [§]	10,290.86	9,986.34	10,974.74	11,403.61	12,619.39	12,590.78
Dividend amounts***	2,061.38	2,061.38	4,741.15	4,791.76	4,741.16	4,812.34
Current ratio (Total current assets / Total current liabilities)	1.22	1.16	1.58	1.50	1.81	1.67
Interest coverage ratio	6.72	5.54	8.62	7.09	10.39	8.53
Gross debt / equity ratio	1.05	1.25	0.78	0.93	0.72	0.86
Debt service coverage ratio	2.44	2.27	2.77	2.68	3.17	3.01

* Figures for the year 2012-13 and 2013-14 have been regrouped/rearranged wherever necessary.

** Includes Interest, Other Borrowing Costs and Exchange Differences regarded as an adjustment to interest costs.

*** Dividend amounts represent interim dividend (paid) and final dividend proposed for the respective periods.

[#] EBITDA/EBIT excludes other income and exceptional items.

[§] PAT in respect of consolidated financial statements is after minority interest.

Projects under construction

The details of our projects in various stages of construction as on August 31, 2015, for which we have received investment approvals, are set out below:

Sl. No.	Details of the Project	Planned Capacity (MW)
I. Projects under NTPC (A+B+C)		18,509
A.	Coal Based Projects	17,440
1	Barh-I	1,980
2	Bongaigaon-I	500
3	Daralipalli	1,600
4	Gadarwara	1,600
5	Khargone	1,320
6	Kudgi-I	2,400
7	Lara-I	1,600
8	Mouda-II	1,320
9	Northkaranpura	1,980
10	Solapur	1,320

11	Tanda-II	1,320
12	Unchahar-IV	500
B. Hydro Electric Power Projects		811
13	Lata Tapovan	171
14	Rammam	120
15	Tapovan Vishnugad	520
C. Renewable Energy Projects		258
16	Anantpur Solar	250
17	Singrauli CW Discharge (Hydro)	8
II. Projects under Joint Ventures/Subsidiaries		4,495
Coal-based projects		4,495
18	Meja, Joint Venture with Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited	1,320
19	Muzaffarpur Thermal Power Station – II (Kanti Bijlee Utpadan Nigam Limited (“KBUNL”)) [#]	195
20	Nabinagar, Joint Venture with Bihar State Power Generation Company Limited (erstwhile Bihar SEB)	1,980
21	Nabinagar (Bhartiya Rail Bijlee Company Limited (“BRBCL”)) [#]	1,000
Total projects under construction (I+II) as on August 31, 2015		23,004

[#] BRBCL and KBUNL are our Subsidiaries.

Power Generation Technologies and Processes

A summary of the power generation technologies and processes followed at our coal, gas, hydroelectric and solar power stations is set out below:

Coal-Based Power Stations

Coal-Based Power Stations. Our coal-based power stations employ Pulverized Coal Combustion (“PCC”) technology, which utilizes heat energy released by combustion of pulverized coal in a boiler to create steam at high pressures and temperatures. The steam drives a turbine, which, in turn, rotates an alternator to produce electricity. PCC technology can be bifurcated into subcritical and supercritical PCC technology. The technologies differ principally in the pressure and temperature at which steam is produced in the boiler. The pressure and temperature of steam in a supercritical plant are significantly higher than in a subcritical plant. Supercritical technology necessitates use of advanced materials for the equipment that processes and utilizes the steam. However, supercritical plants are more efficient compared to subcritical plants, requiring less coal than subcritical plants to generate the same amount of electricity. In addition, supercritical plants are envisaged to emit less pollutants than subcritical plants. We plan to employ supercritical and ultra supercritical technology more in the future.

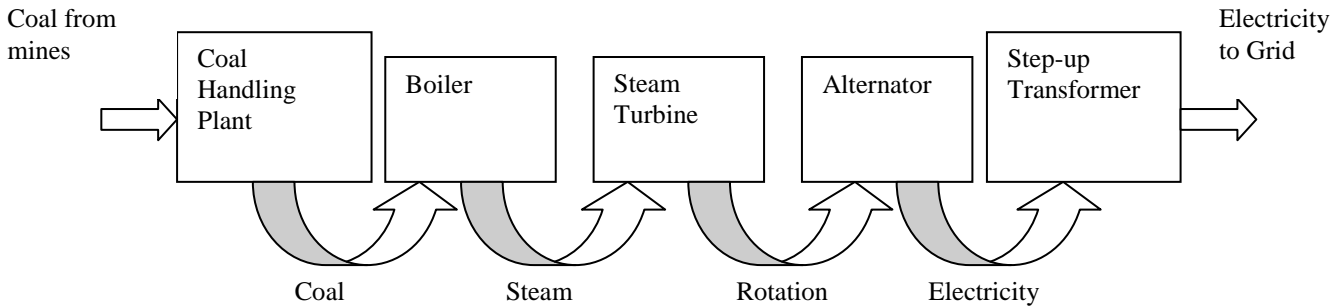
Coal Handling Plants. Most of our coal-based power stations receive coal from mines through dedicated railways owned and operated by us. The coal handling plants receive coal, crush it to the required size and feed it to the boiler coal pulverisers.

Boilers. Our boiler plants have coal pulverizers to grind coal into a finer size before it is fed to the boiler furnace. The boilers are enclosures encased in tubes filled with flowing water. As the boiler furnace heats, water flowing in the boiler tubes is converted into high pressure and high temperature steam, which is conveyed to the turbine through steam pipelines.

Steam Turbines. Steam produced in the boiler drives steam turbines, making the turbines’ rotors rotate at high speeds.

Alternators. Alternators are coupled to the steam turbines and rotate with the turbines’ rotors. The alternators convert the energy generated by the rotation of the turbines’ rotors into electricity.

Step-up Transformers. Step-up transformers step up the voltage of generated electricity before it is fed to the grids. Transmission of electricity is done at very high voltage to minimize energy losses in the transmission lines.



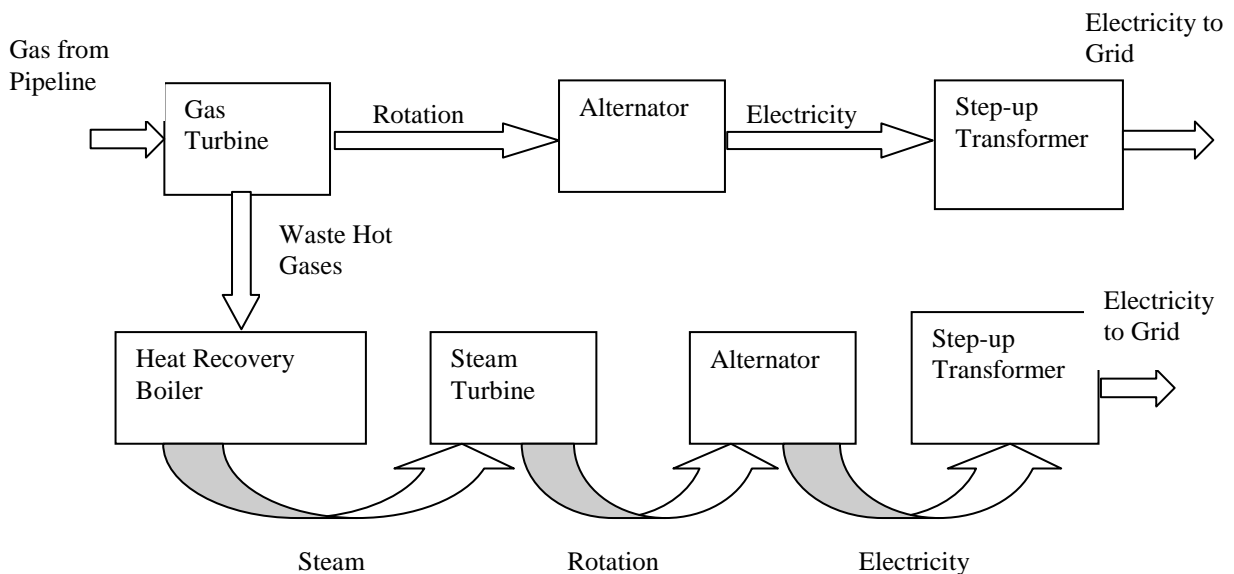
Gas-Based Power Stations

Gas-Based Power Stations. Our gas-based power stations employ Combined Cycle Gas Turbine technology, in which independent units of the gas turbine and the steam turbine are integrated. The energy for electricity generation under this technology comes from the combustion of the gas fuel. Hot gas formed by combustion of fuel drives a gas turbine, which, in turn, rotates an alternator to produce electricity. In the open cycle mode of operation, exhaust gas from the gas turbine is released to the atmosphere. In the combined cycle mode of operation, exhaust gas, which would have been wasted and has no marketable value, is fed to a heat recovery boiler, which produces steam to drive a steam turbine, which rotates another alternator to produce additional electricity.

Gas Turbines. Each gas-based power station consists principally of an air compressor, a combustor and a turbine. Air is drawn in from the atmosphere and compressed before it is fed into the combustor. Gas fuel, which we draw from gas pipelines, burns in the combustor in the presence of compressed air from the compressor. The mixture of high temperature and high pressure hot gases produced in the combustor drives the turbine. The turbine’s rotational energy rotates the alternator, which produces electricity. The voltage of the electricity is stepped up through a transformer before it is fed to the grids.

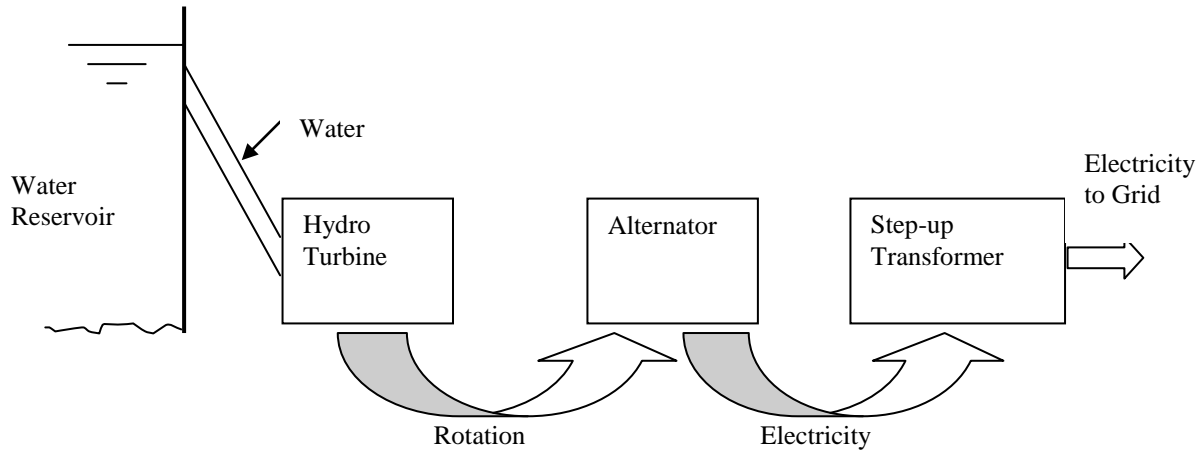
Heat Recovery Boilers. Exhaust gas of gas-based power stations loses all pressure in the gas turbine, but remains very hot. Residual heat is recovered in heat recovery boilers to generate steam.

Steam Turbines. Steam generated in the heat recovery boilers is used to generate additional electricity through steam turbines and separate alternators. The voltage of the electricity is stepped-up through transformers before it is fed to the grids.



Hydroelectric Power

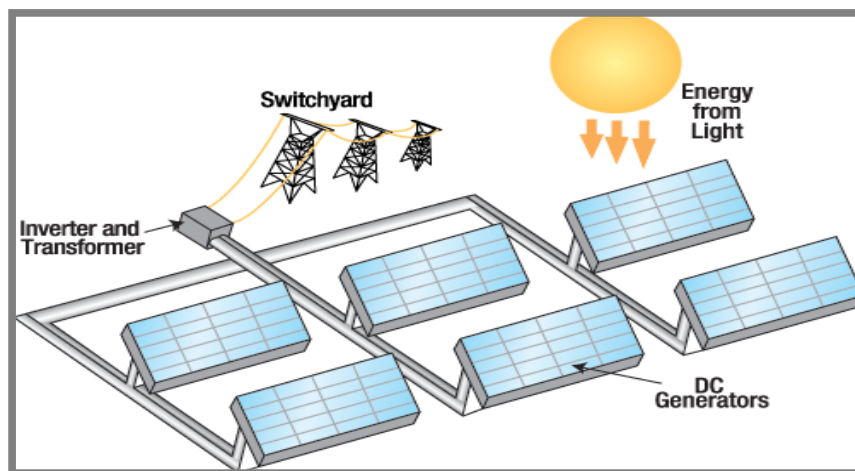
In a hydroelectric power station, energy is harnessed from water by running it from a higher to a lower height and, in the process, driving a hydro-turbine, which rotates an alternator to produce electricity. The process of electricity generation in a hydroelectric powered power station is substantially the same as that of a coal-based power station. However, the turbine in hydroelectric plants is driven by water rather than steam. Instead of a boiler, hydroelectric plants utilize a water reservoir.



Solar Photovoltaic Power

In a solar photovoltaic power station, the direct conversion of solar radiation into electricity is achieved by using semiconductor devices called 'solar cells' inline with the principles of photo-electric effect. The power generated using solar cells is direct current. For grid connected applications, the direct current so generated is converted into alternating current using inverters. The output alternating current from the inverter is stepped up using an inverter transformer and then connected to the grid.

Solar photovoltaic is a simple, reliable and environmental friendly technology but available only during the day time. We expect that generation and use of solar power from solar photovoltaic power plants will reduce our consumption of fossil fuels, thereby reducing our overall carbon dioxide emissions.



Insurance

All our Company's directly owned coal-fired, gas-fired and hydro electric power stations are covered by a mega-risk policy. For projects under construction, separate insurance cover is taken by our contractors in accordance with conditions specified in the construction contracts. Further, for solar power projects we have taken standard fire and special perils policy.

Work Force

Competence building, commitment building, culture building and systems building are the 4 building blocks on which our human resources systems are based, and our human resources vision is “to enable our people to be a family of committed world class professionals”. We have received a number of prestigious human resources - related awards and recognitions in recent years.

As on March 31, 2015, we had 24,067 employees, comprising 22,496 employees of our Company (comprised of 12,486 executives and 10,010 non-executives) and 1,571 employees of our Subsidiaries and Joint Ventures. In addition, we outsource certain peripheral activities as per plant requirements from time to time, by awarding job contracts to various agencies.

The attrition rate of our executives during fiscal 2015 (including executive trainees and those posted in Subsidiaries and Joint Ventures during fiscal 2015) was 1.35%.

Most of our non-executive workforce is unionized and, while we are involved in employee and labour related litigation and claims from time to time in the ordinary course of our business, we believe that our relations with our employees have been generally good and that we have not had any recent significant industrial incidents such as strikes, lockouts or work stoppages resulting in any material adverse effect on our business, financial condition and results of operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Our Company was incorporated on November 7, 1975 under the Companies Act 1956 as a private limited company under the name, 'National Thermal Power Corporation Private Limited'. The name of our Company was changed to 'National Thermal Power Corporation Limited' on September 30, 1976 consequent upon a notification issued by the GoI exempting government companies from the use of the word 'private'. On September 30, 1985, our Company was converted from a private limited company into a public limited company. The name of our Company was changed to 'NTPC Limited' and a fresh certificate of incorporation was issued on October 28, 2005.

For information on our business activities and investments, see "**Business**" on page 62.

Changes in Registered Office

The changes in the Registered Office of our Company are set forth below.

Year	Location of Registered Office	Reason for Change
1975	Shram Shakti Bhawan, New Delhi 110 001	Administrative and operational efficiency
1976	Kailash Building, Kasturba Gandhi Marg, New Delhi 110 001	
1979	NTPC Square, 62-63, Nehru Place, New Delhi 110 027	
1988	NTPC Bhawan, SCOPE Complex, 7, Institutional Area, Lodhi Road, New Delhi 110 003	

Main objects of our Company:

The main objects of our Company, as contained in the Memorandum of Association, are:

1. *To plan, promote and organize an integrated and efficient development of thermal, hydel, nuclear power and power through non-conventional/renewable energy sources in India and abroad including planning, investigation, research, design and preparation of preliminary, feasibility and definite project reports, construction, generation, operation and maintenance, renovation and modernization of power stations and projects, transmission, distribution, sale of power generated at Stations in India and abroad in accordance with the national economic policies and objectives laid down by the Central Government from time to time, the management of front and back-end of nuclear fuel cycle and ensure safe and efficient disposal of waste.*
2. *To coordinate the activities of its subsidiaries, to determine their economic and financial objective/targets and to review, control, guide and direct their performance with a view to secure optimum utilization of all resources placed at their disposal.*
3. *To act as an agent of Government/Public Sector Financial Institutions, to exercise, all the rights and powers exercisable at any meeting of any company engaged in the planning, investigation, research, design and preparations of preliminary, feasibility and definite project reports, construction, generation, operation and maintenance, renovation and modernisation of power stations and projects, transmission, distribution and sale of power generated in respect of any share held by the Government, public financial institutions, nationalized banks, nationalized insurance companies with a view to secure the most effective utilization of the financial investments and loans in such companies and the most efficient development of the concerned industries.*
- 4(a) *To carry on the business of purchasing, selling, importing, exporting, producing, trading, manufacturing or otherwise dealing in all aspects of planning, investigation, research, design and preparation of preliminary, feasibility and project reports, construction, generation, operation and maintenance, renovation and modernization of power stations and projects, transmission, distribution, sale of thermal, hydro, nuclear power and power generated through non-conventional renewable energy sources, power development and also to undertake the business of other allied/ancillary industries including those for utilization of steam generated at power stations, and other by-products and install operate and manage all necessary plants, establishments and works.*
- 4(b) *To carry on the business of prospecting, exploring, developing, drilling, refining, de-stilling, purifying, converting, blending, purchasing, receiving, importing, storing, manufacturing, producing, processing, crushing, screening, marketing, selling, exporting, distributing, trading, supplying,*

organising, exploiting, liquefaction, re-gasification, compression, beneficiation, fractionation, transporting by rail/road, surface, sea, and proving, and estimating the reserves of petroleum/hydrocarbons, gaseous and coal and other mineral resources and implementing programmes for the efficient development of and deal in all kinds of petroleum products/services, hydrocarbons by whatever name called, oil and other related liquid and gaseous substances and all other kinds/natures of fuels including but not limited to naphtha, natural gas (NG), compressed natural gas (CNG), liquefied natural gas (LNG), associated gaseous substances, syngas, orimulsion, coal-bed methane, lignite, coal, coke etc. in all its aspects and in all their respective branches for supply of fuels to NTPC stations and to other users/buyers and also to undertake the business of other allied/ancillary industries including those for utilisation of coal ash and other by-products/co-products from any of the products, which the company is authorized to deal in and to own, acquire by purchase, lease, licence, grant or otherwise, to set up, participate in setting up, install, operate and manage all necessary plants/facilities equipment, wells, platforms, derricks, rigs, warehouse, depots, ports, wharves, jetties, terminals, compressors, stations, coal and other mines, washeries, vessels, ships, railway lines, tankers, trucks, wagons, pipelines, storage and infrastructure facilities, establishments and works in India and abroad including from the sea or ocean bed in national or international waters in relation to any or all of the above areas of business and to acquire and maintain drilling and mine rights, exploration and production rights, rights of ways and other rights/interests of all descriptions.

The main objects clause and the objects incidental or ancillary to the main objects of the Memorandum of Association enable our Company to undertake its existing activities and the activities for which the funds are being raised through the Issue.

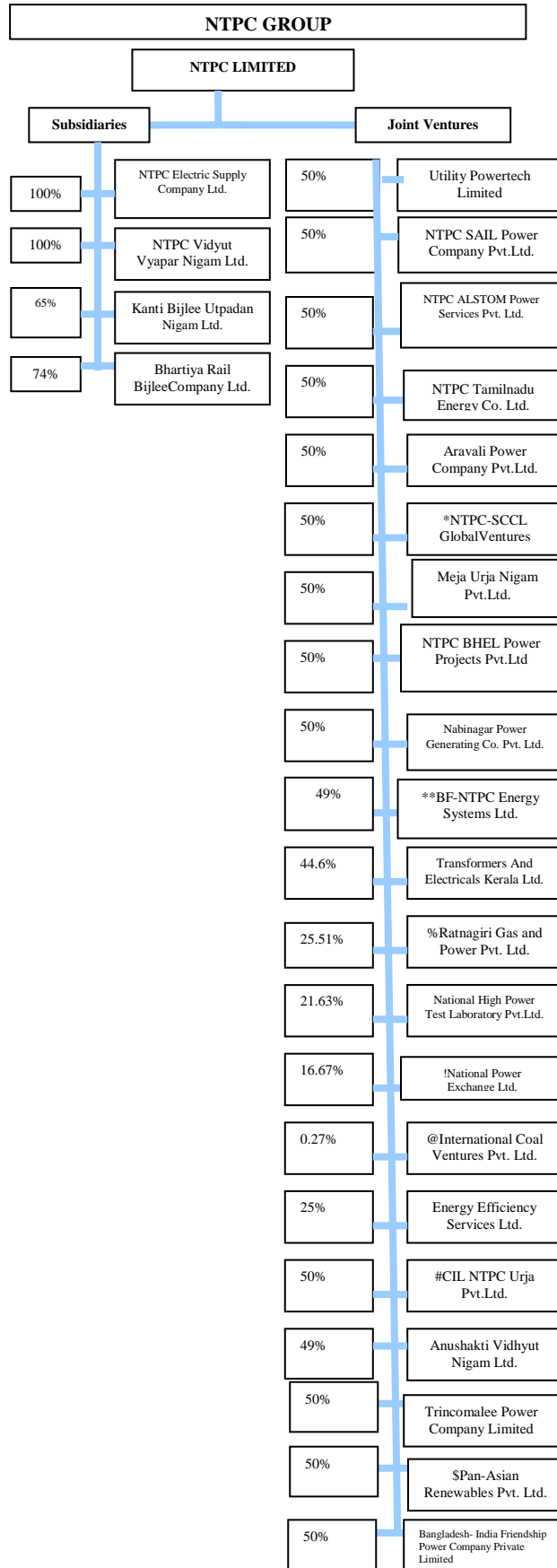
Previous Public Issues

Our Promoter undertook a further public offering in February 2010, whereby 41,22,73,220 Equity Shares were offered for sale, for cash at prices determined through the alternate book-building method under Part D of Schedule XI of the SEBI ICDR Regulations, on a fast-track basis, aggregating to ₹ 8,480.10 crore and comprising a net offer to the public of 40,80,00,000 Equity Shares and a reservation of 42,73,220 Equity Shares for subscription by eligible employees. Further, our Promoter undertook an offer for sale in February 2013 of 78,32,62,880 Equity Shares pursuant to circular (No. CIR/MRD/DP/18/2012) dated July 18, 2012. Additionally, in June 2014, our Promoter undertook an offer for sale of 34,83,320 Equity Shares to eligible employees of our Company at a 5% discount pursuant to letter (No. F.No. 4(18)/2012-DoD) dated June 26, 2013.

In addition to the above, our Company undertook a public issue of tax-free secured redeemable non-convertible bonds for an amount aggregating up to ₹ 1,750 crore in fiscal 2014.

Subsidiaries and Joint Ventures

As on the date of this Draft Prospectus, our Company has 4 (four) Subsidiaries, of which 2 (two) are wholly-owned by our Company. Further, as on the date of this Draft Prospectus, our Company has 21 joint venture companies for undertaking specific business activities.



**NTPC-SCCL Global Ventures Private Limited is being wound up voluntarily as the Company could not start its business since its incorporation due to non-availability of any business prospects.*

#In case of CIL NTPC Urja Private Limited, the company has applied to the Government of India for reallocation of coal blocks deallocated from it in 2011.

@ The Company has decided to exit from International Coal Ventures Private Limited for which clearance from cabinet is awaited.

***As in the recent past thermal power capacity addition program has suffered a major setback due to a variety of reasons including slow environment clearance of new projects, non-availability of land, shortage of Indian coal and costly imported coal, your company has decided to withdraw from this joint venture company. Report of the Valuer has been accepted by both NTPC and Bharat Forge. The proposal of exit from this company is awaiting clearance from Ministry of Power.*

In view of the change in market scenario and the fact that NTPC's objective of joining NPEX has not been met till date, your Company has decided to exit from NPEX. The Board of NPEX has now decided to voluntary wind up the Company on the recommendations of the promoters. The liquidator has been appointed for this purpose.

% Due to non-payment of loans and interest, as per the Shareholders' Agreement, loan of ₹ 855.37 crore due upto 30.06.2015 has been converted into equity. After conversion, the paid-up share capital of the Company increased to ₹ 3820.27 Crore as on 30.06.2015 and the stake of NTPC was reduced to 25.51% as on 30.06.2015.

\$ The Joint Venture Company among NTPC Limited, Asian Development Bank and Kyuden International Cooperation, Japan under the name PAN-ASIAN Renewables Private Limited incorporated to develop projects portfolio of about 500 MW of renewable power generation resources in India, is under voluntary wind up as it could not find third investor in spite of great efforts. Termination agreement has been approved by NTPC on 31.10.2014. Liquidator has also been appointed.

Material Agreements

As of the date of this agreement there are no material agreements entered into by our Company in the last 2 (two) years other than in the ordinary course of business.

Collaborations

Our Company has not entered into any collaboration with any third party.

MANAGEMENT

Board of Directors

The articles of association of our Company (“**Articles of Association**” or “**AoA**”) require the Board to comprise not less than 4 (four) and not more than 20 Directors. Presently, there are 8 (eight) Directors on the Board, of which 5 (five) are whole-time Directors, 2 (two) are Government Nominee Directors and 1 (one) is independent Directors who act as part-time non-official Directors on the Board. The details of the Board as of the date of this Draft Prospectus are set forth below.

Name, Designation, Occupation and Director Identification Number (“DIN”)	Date of joining the Board	Approximate Age (Years)	Address	Other Directorships
<p>Mr. Anil Kumar Jha Director (Technical) and holding the additional charge of Chairman and Managing Director</p> <p>Occupation: Whole-time Director DIN: 03590871 Term: Five years with effect from July 1, 2012, or superannuation, or further order, whichever is earlier</p>	July 1, 2012	58 years	D 831, Tower 7, Ashiyana Upwan, Ahinsa Part 2, Indirapuram, Ghaziabad -201301, U.P.	<p>Indian Companies</p> <ul style="list-style-type: none"> - Anushakti Vidhyut Nigam Limited - NTPC ALSTOM Power Services Private Limited - Pan Asian Renewables Private Limited - Transformers And Electricals Kerala Limited - NTPC Vidyut Vyapar Nigam Limited - NTPC Electric Supply Company Limited - NTPC BHEL Power Projects Private Limited <p>Foreign Companies</p> <ul style="list-style-type: none"> - Bangladesh - India Friendship Power Company Private Limited
<p>Mr. Umesh Prasad Pani Director (Human Resources) and holding the additional charge of Director (Commercial)</p> <p>Occupation: Whole-time Director DIN: 03199828 Term: Five years with effect from March 1, 2013, or superannuation, or further order, whichever is earlier</p>	March 1, 2013	59 years	170, Madan Lal Block, Asian Games Village Complex, New Delhi 110 049	<p>Indian Companies</p> <ul style="list-style-type: none"> - NTPC Electric Supply Company Limited - Transformers And Electricals Kerala Limited - Kanti Bijlee Utpadan Nigam Limited - Kinesco Power and Utilities Private Limited - Aravali Power Company Private Limited - Nabinagar Power Generating Company Private Limited <p>Foreign Companies</p> <ul style="list-style-type: none"> - Trincomalee Power Company Limited
Mr. Subhash Chandra Pandey	October 1, 2013	58 years	151, Madan Lal Block, Asian Games	Indian Companies

<p>Director (Projects)</p> <p>Occupation: Whole-time Director DIN: 03142319 Term: Five years with effect from October 1, 2013, or superannuation, or further order, whichever is earlier</p>			<p>Village Complex, New Delhi 110 049</p>	<ul style="list-style-type: none"> - BF-NTPC Energy Systems Limited - Bhartiya Rail Bijlee Company Limited - International Coal Ventures Private Limited - Pan Asian Renewables Private Limited - Meja Urja Nigam Private Limited <p>Foreign Companies Nil</p>
<p>Mr. Kulamani Biswal Director (Finance)</p> <p>Occupation: Whole-time Director DIN: 03318539 Term: Five years with effect from the date of taking over of charge, or superannuation, or further order, whichever is earlier</p>	December 9, 2013	54 years	<p>157, Madan Lal Block, Asian Games Village Complex, New Delhi 110 049</p>	<p>Indian Companies</p> <ul style="list-style-type: none"> - Meja Urja Nigam Private Limited - NTPC Electric Supply Company Limited - NTPC Vidyut Vyapar Nigam Limited - NTPC Tamilnadu Energy Company Limited <p>Foreign Companies</p> <ul style="list-style-type: none"> - Bangladesh-India Friendship Power Company Private Limited
<p>Mr. Kaushal Kishore Sharma Director (Operations)</p> <p>Occupation: Whole-time Director DIN: 03014957 Term: Five years with effect from November 1, 2014</p>	November 1, 2014	58 years	<p>E-10, B-703, Saketdham CGHS, Sector-61, Noida – 201301, U.P.</p>	<p>Indian Companies</p> <ul style="list-style-type: none"> - NTPC Vidyut Vyapar Nigam Limited - NTPC SAIL Power Company Private Limited - The West Bengal Development Corporation Limited <p>Foreign Companies Nil</p>
<p>Dr. Pradeep Kumar Government nominee Director</p> <p>Occupation: Service DIN: 05125269 Term: <i>Ex-officio</i> appointment, not liable to retire by rotation</p>	September 10, 2013	54 years	<p>C 2/52, Shahjahan Road, New Delhi 110 011</p>	<p>Indian Companies</p> <ul style="list-style-type: none"> - Power Grid Corporation of India Limited <p>Foreign Companies Nil</p>
<p>Mr. Anil Kumar Singh Government Nominee Director</p> <p>Occupation: Service</p>	October 31, 2014	46 years	<p>15, Type-V Quarters, Lodi Road, New Delhi - 110003</p>	<p>Indian Companies</p> <ul style="list-style-type: none"> - Damodar Valley Corporation - Bhartiya Nabhikiya

DIN: 07004069 Term: <i>Ex-officio</i> appointment, not liable to retire by rotation				Vidyut Nigam Limited Foreign Companies Nil
Mr. Prashant Mehta Non-official part-time Director (Independent) Occupation: Retired DIN: 02284299 Term: Three years from July 12, 2013, or until further orders, which ever is earlier	July 30, 2013	64 years	H 235, Madhav Nagar, Opposite A.G. House, Gwalior 474 001	Indian Companies Nil Foreign Companies Nil

All our Directors are Indian nationals. None of our Directors are wilful defaulters as identified by the RBI and/or included in the Export Credit Guarantee Corporation default list.

Brief Profiles

Mr. Anil Kumar Jha (58 Years) (DIN: 03590871), is a graduate in mechanical engineering from BIT Sindri, Ranchi University and has done bachelors of law from University of Delhi. He joined our Company in 1977 as an Executive Trainee (2nd Batch). He was directly associated with our Company's flagship project at Singrauli (5x200 MW) as a part of the erection team. He has diversified experience of about 38 years in our Company and has been involved in all the areas of a power project such as design and engineering, project planning and monitoring, and project construction and management.

He has served as the Regional Executive Director (North) where he was responsible for the entire portfolio management i.e. four generating stations (5490 MW), two ongoing projects (1008 MW) and four upcoming projects (4460 MW) in northern region of our Company's operations. As the Executive Director (Project Planning and Monitoring), he looked after the planning and monitoring of entire portfolio of our Company's capacity addition program of 10th and 11th plan.

He joined the Board of our Company in July 2012 as Director (Technical). He is responsible from the concept to investment approval of our projects, complete engineering during the development phase of the project, and engineering support during operation and maintenance phase of the station. He is also responsible for engineering for renovation and modernisation of our Company's aged power stations in order to enhance life and efficiency of our power plants, for the entire portfolio of our Company i.e. thermal, hydro, and renewable. In case of renewable, he has entire responsibility i.e. policy advocacy, business development, project contracting, engineering and commissioning. He is also responsible for research and development through NTPC Energy Technology and Research Alliance, induction of environment friendly technologies like ultra super critical/advance ultra super critical, induction of environment friendly technologies like ultra super critical/advance ultra super critical, information technology initiatives including enterprise resource planning and environmental engineering.

He currently holds the additional charge of the Chairman and Managing Director effective from September 1, 2015.

Mr. Umesh Prasad Pani, (about 59 years), Director (Human Resources) is a graduate in electrical engineering from BITS Pilani (1978) and joined NTPC in November, 1978 as an Executive Trainee (3rd batch). He has worked in Erection, Rehabilitation and Resettlement, Technical Services Department of Korba Super Thermal Power Station (3x200+3x500MW) and Talchar Super Thermal Power Station, (6x500MW). He worked as Business Unit Head ("BUH") of NTPC-SAIL Power Company Private Limited (joint venture of our Company and Steel Authority of India Limited) at Bhilai and Durgapur. He was head of NTPC Kahalgaon (4x210 MW+3x500MW) project. During his tenure, all three 500 MW units of Kahalgaon Stage-II were commercialised. He was head of our Company's biggest power project, i.e. Vindhyachal Super Thermal Power Project (4260MW). On March 15, 2010, Mr. Pani took over as Regional Executive Director (Eastern Region-I) and was responsible for overall functioning of various regional projects of our Company and projects of various subsidiaries and joint venture of our Company. As BUH in the capacity of General Manger & Regional Executive Director at various locations and regions, he was also responsible for human resources functions and

steered various human resources initiatives. Further, as Director (Human Resources), Mr. Pani is also responsible for the entire human resource functions of the organization. Additionally, he is responsible for the power management institute of our Company and other corporate functions such as resettlement and rehabilitation, land acquisition, corporate social responsibility, medical services, corporate security and coordination, and infrastructure development.

He currently holds the additional charge of Director (Commercial) effective September 2, 2015.

Mr. S.C. Pandey, (about 58 years) (DIN: 03142319), is a graduate in bachelor of engineering in instrumentation. He joined our Company in November, 1978 as an Executive Trainee (3rd batch). He has about 34 years of extensive experience in management of large size power projects in areas of engineering, project construction and power plant operation, and maintenance. He has a background in managing, operating and maintaining some of the largest power stations of the country and has relevant experience and exposure of the entire life cycle of a project i.e. from concept to commissioning of greenfield project. He was associated with erection, commissioning and operation of our Company's first thermal power project at Singrauli.

Mr. Pandey's experience in power sector includes 10 years of senior management level experience in BUH of India's largest project i.e. Vindhyachal, Ramagundam and Simhadri Super Thermal Power Project, engineering head of our Company and as a regional head of our Company's projects of Eastern Region-II and Western Region.

Mr. Pandey has been deputed for several overseas managerial and leadership programmes and technical training programmes in order to enhance strategic leadership qualities, broaden the vision and to gain insight of complex national and global business environment.

As Director (Projects), he is responsible for project planning and monitoring of entire business portfolio of our Company covering thermal, hydro, coal mining, international joint ventures, renewable (solar, wind and small hydro), greenfield, brownfield, under construction projects covering almost 20% capacity of our country. He has been actively involved in implementation of over 23,000 MW+ projects under construction at about 22 different locations and strategic planning of 40,000 MW+ new projects at various stages.

He joined the Board of our Company in October 2013 as Director (Projects).

Mr. Kulamani Biswal (about 54 years), (DIN: 03318539), is a graduate in commerce and holds a bachelors of law degree besides being a fellow in cost accountancy and masters in business administration from New Port University, California, USA. Mr. Biswal has strong understanding of financial fundamentals and has extensive exposure in the entire value chain of the energy sector, including, amongst others, as regulator and coal producer. He has extensive experience of 30 years in coal, power sectors and regulatory affairs. In our Company, he plays a pivotal role in providing valuable inputs to the Board for taking various strategic decisions to enable the company to achieve its vision. He is responsible for the entire gamut of financial management of the organisation including financial resource mobilisation from domestic and global sources, optimum utilization of funds, budgetary controls, investment decisions and compilation of accounts and audit of the same by statutory and government auditors.

During his stint as Chief Financial Officer of our Company and as a member of the Board, his major achievements were raising fund from domestic as well as international market at competitive terms, rewarding shareholders by issuing bonus debentures - a first of its kind in India by any public sector undertaking and employee friendly steps. Under his leadership, our Company has embarked upon other areas of business i.e. solar, coal mining and distribution. He has been appointed "Owner" under the provisions of Mines Act, 1952 for development/ operation and management of coal mines allocated to our Company.

His leadership has brought our Company various laurels and awards, some of which include: 'The Best CMA-CFO' in public sector undertaking (manufacturing) category by The Institute of Cost Accountants of India, 'CFO of the Year' Award by EPC World with Ernst & Young as their knowledge partner, GSBA-Top Rankers Excellence Award 2015 - 'Financial Pride of India', 'BT-STAR PSU Director Finance of the Year' Award (Maharatna & Navratna), amongst others.

During his tenure, ICAI has conferred our Company, the award for 'Excellence in Financial Reporting' for the year 2013-14 under the category infrastructure and construction (turnover equal to or more than ₹ 500 crores) and our Company received 'Golden Peacock Global Award' for the excellence in corporate governance in the

year 2014 at London.

Mr. Kaushal Kishore Sharma (about 58 years), DIN 03014947 is a graduate in mechanical engineering and has a masters in business administration in finance. He has a career spanning over 39 years of significant contribution in the areas of mega-budget thermal, hydro power and coal mining projects as a professional manager, strategic planner and a business leader. He has led several strategic initiatives for execution of projects as well as for achieving operational excellence.

He was BUH of NTPC-SAIL Power Company Private Limited's Durgapur station, General Manager of Farakka Super Thermal Power Station and General Manager of Koldam Hydro Electric Power Project of our Company. He also was the regional Executive Director (Hydro Region), Executive Director (Coal Mining/ Coal Washeries), Regional Executive Director (East Region-II), Executive Director (Project Planning And Monitoring) of our Company and Chief Executive Officer of NTPC-SAIL Power Company Private Limited. Mr. Sharma, through his multi-disciplinary approach in engineering, operations, management and finance, has brought about a turnaround of NTPC-SAIL Power Company Private Limited's Durgapur by ramping up pay load factor from 63% to 81% and Farakka Super Thermal Power Station from 69% to 81%. He played a pivotal role in resolving resettlement and rehabilitation issues in Koldam, getting forests and environment clearances for captive mines of our Company, developing business process for mine development, green field projects construction, SAP implementation and introduction of ERP-PS module for on-line monitoring of projects.

As a Director (Operations), he is responsible for the overall activities relating to sustained operation of thermal, hydro and solar power stations including fuel management of all our Company's stations.

Dr. Pradeep Kumar, (about 54 years), (DIN: 05125269), is an Indian Administrative Service ("IAS") officer of Kerala Cadre, and holds a bachelors of technology in electronics, a masters in business administration, master diploma in public administration and governance and Ph.D. in the area of integrated freight transport planning. During his career of 27 years as an IAS officer, he has held various administrative positions in the areas of revenue, finance, transport, shipping, inland water transportation, water resources, irrigation, food and civil supplies, consumer affairs, environment and forests.

Mr. Anil Kumar Singh, aged 46 years (DIN: 07004069) has bachelors of engineering in civil and masters of engineering in polymer technology from Delhi College of Engineering. He has a masters in business administration in business administration policy and administration from University of Ljubljana.

Mr. Singh is an IAS of AGMUT Cadre (1995 batch).

During his career of 19 years as IAS officer, he has held various administrative positions in the areas of administration, land revenue, urban development, energy, labour, industrial policy and promotion, khadi and village industry, health and family welfare, home affairs, youth affairs and sports prior to joining as Joint Secretary, Ministry of Power.

Mr. Prashant Mehta, (about 64 years), (DIN: 02284299), is an IAS officer of Madhya Pradesh Cadre, and a graduate in science and post-graduate in physics from University of Jabalpur, Madhya Pradesh. He retired as Director General, Academy of Administration, Bhopal, Government of Madhya Pradesh in November 2011. During his career of 36 years as an IAS officer, he had held various administrative positions in the Government of India and the Government of Madhya Pradesh including education, civil aviation, railways, revenue, mines, forest departments. He had been actively associated with MP Cricket Association and had been Chairman, Organising Committee for one-day international cricket matches from 1996 to 2011 at Gwalior. Presently, he is Vice-President of Madhya Pradesh Cricket Association, executive president of the Gwalior Division Cricket Association, president of the Chambal Division Cricket Association and also the Chairman of WWF (Madhya Pradesh and Chattisgarh). He was Managing Director of Kailaras Sugar Factory Morena and Government Nominee Director on the board of National Aluminium Company Limited, Bharat Aluminium Company Limited, Hindustan Zinc Limited and Hindustan Diamonds Limited.

Relationship with other Directors

None of our Directors is related to another.

Borrowing Powers of our Directors

Pursuant to a resolution passed by the shareholders of our Company on September 5, 2014 under the Companies Act 2013, the Board is authorized to borrow sums of money on such terms and conditions and for such purposes as the Board may think fit, not exceeding, at any given time, a sum of ₹ 1,50,000 crore.

The aggregate value of the Bonds offered under this Draft Prospectus, together with the existing borrowings of our Company, is within the approved borrowing limits of ₹ 1,50,000 crore.

Shareholding of Directors

The Articles of Association do not require our Directors to hold qualifying shares in our Company. For information on the Equity Shareholding of our Directors, see “*Capital Structure*” on page 48. For information on bonds held by our Directors, if any, see “*Annexure A – Financial Information*” on page 192.

Remuneration of our Directors

A. Whole-Time Directors

The following table sets forth the remuneration paid to the whole-time Directors during fiscal 2015:

(in ₹)

Name	Remuneration and Other Allowances	Benefits	Performance Linked Incentive	Total
Dr. Arup Roy Choudhury##	22,55,932	11,13,757	16,74,383	50,44,072
Mr. I.J. Kapoor^	22,12,759	22,23,818	11,95,022	56,31,599
Mr. N.N. Misra*	33,33,776	19,55,110	10,99,103	63,87,989
Mr. A.K. Jha	20,26,467	16,43,580	11,31,652	48,01,699
Mr. U.P. Pani	21,56,475	10,27,850	11,14,523	42,98,848
Mr. S.C. Pandey	19,44,410	9,97,378	7,77,772	37,19,560
Mr. K. Biswal	19,06,391	12,24,270	3,89,785	35,20,446
Mr. K. K. Sharma#	8,46,329	6,48,566	69,147	15,64,042

Dr. Arup Roy Choudhury has ceased to be Chairman and Managing Director upon completion of his tenure on August 31, 2015.

^ Mr. I.J. Kapoor has resigned from the Company consequent upon his appointment as Technical Member of Appellate Tribunal for Electricity. He relinquished his charge as Director (Commercial) on August 20, 2015.

* Mr. N.N. Misra superannuated from the Company on October 31, 2014.

Mr. K.K. Sharma joined the Board on November 01, 2014.

B. Part-Time Non-Official Directors

The part-time non-official Directors are entitled to sitting fees of ₹ 20,000 per meeting of the Board or per meeting of a committee thereof. The following table sets forth the sitting fees paid to part-time non-official Directors during fiscal 2015:

(in ₹)

Name	Sitting Fees		Total
	Board Meeting	Committee Meeting	
Mr. S.B. Ghosh Dastidar (upto 25.08.2014)	1,00,000	2,00,000	3,00,000
Mr. R.S. Sahoo (upto 25.08.2014)	1,00,000	2,60,000	3,60,000
Mr. Ajit M. Nimbalkar (upto 19.01.2015)	1,80,000	1,40,000	3,20,000
Mr. S.R. Upadhyay (upto 19.01.2015)	1,80,000	2,20,000	4,00,000
Ms. H.A. Daruwalla (upto 27.02.2015)	2,20,000	6,40,000	8,60,000
Mr. A.N. Chatterji (upto 27.02.2015)	2,20,000	3,80,000	6,00,000
Prof. Sushil Khanna	2,00,000	4,20,000	6,20,000

Name	Sitting Fees		Total
	Board Meeting	Committee Meeting	
(upto 27.02.2015)			
Dr. A. Didar Singh (upto 22.08.2015)	1,80,000	1,80,000	3,60,000
Mr. Prashant Mehta	2,40,000	1,60,000	4,00,000

As per the provisions of DPE circular dated November 17, 2008, any sitting fee or any other benefit or commission payable to any of our directors nominated by our Company on the board of directors of our Subsidiaries and associate companies is required to be paid directly to our Company.

Changes in our Board during the last 3 (three) years

The changes in our Board in the 3 (three) years immediately preceding this Draft Prospectus are set forth below.

Name	DIN	Designation	Appointment/ Cessation/ Designation change	Date of Change	Date of joining Board in case of cessation	Reason
Dr. Govinda Marapalli Rao	01982343	Independent Director	Cessation	February 4, 2013	August 26, 2011	Resignation
Mr. Shailendra Pal Singh	02296585	Director (Human Resources)	Cessation	February 28, 2013	October 16, 2010	Superannuation
Mr. Umesh Prasad Pani	03199828	Director (Human Resources)	Appointment	March 1, 2013	-	Appointed pursuant to letter (No. 8/1/2012-Th-I(DHR)) dated January 3, 2013 from the MoP
Mr. Rakesh Jain	02682574	Government nominee Director	Cessation	July 9, 2013	June 9, 2009	Repatriation to parent cadre pursuant to letter (No. 2/2/2009-Adm.II) dated July 4, 2013 from the MoP
Mr. Prashant Mehta	02284299	Independent Director	Appointment	July 30, 2013	-	Appointed pursuant to letter (No. 8/6/2013-Th-I) dated July 12, 2013
Dr. Pradeep Kumar	05125269	Government nominee Director	Appointment	September 10, 2013	-	Appointed pursuant to letter (No. 8/7/2013-Th.I) dated September 9, 2013 from the MoP

Name	DIN	Designation	Appointment/ Cessation/ Designation change	Date of Change	Date of joining Board in case of cessation	Reason
Mr. Bhajan Pratap Singh	01507784	Director (Projects)	Cessation	September 30, 2013	August 1, 2009	Superannuation
Mr. Indra Chandra Prasad Keshari	00042289	Government nominee Director	Cessation	September 30, 2013	May 4, 2009	Nomination withdrawn pursuant to letter (No. 2/2/2008-Adm. II) dated September 20, 2013 from the MoP
Mr. Subhash Chandra Pandey	03142319	Director (Projects)	Appointment	October 1, 2013	-	Appointed pursuant to letter (No. 8/4/2012-Th-I) dated August 5, 2013 from the MoP
Mr. Ashok Kumar Singhal	00011085	Director (Finance)	Cessation	October 9, 2013	August 1, 2005	Resigned consequent upon joining Central Electricity Regulatory Commission as a member
Mr. G. Sai Prasad	00325308	Government nominee Director	Appointment	December 5, 2013	-	Appointed pursuant to letter No. 8/7/2013-Th.I dated November 5, 2013 from the MoP
Mr. Kulamani Biswal	03318539	Director (Finance)	Appointment	December 9, 2013	-	Appointed pursuant to letter No. 8/6/2012-Th.I dated December 5, 2013 from the MoP
Mr. G. Sai Prasad	00325308	Government nominee Director	Cessation	June 16, 2014	December 5, 2013	Premature Repatriation to parent cadre pursuant to letter (No. 1/2/2013-Adm.II) dated June 16, 2014 from the MoP

Name	DIN	Designation	Appointment/ Cessation/ Designation change	Date of Change	Date of joining Board in case of cessation	Reason
Mr. Rajib Sekhar Sahoo	02708503	Independent Director	Cessation	August 25, 2014	August 26, 2011	Completion of Tenure
Mr. Syamal Bhushan Ghosh Dastidar	00145886	Independent Director	Cessation	August 25, 2014	August 26, 2011	Completion of Tenure
Mr. N.N. Misra	00575501	Director (Operations)	Cessation	October 31, 2014	October 19, 2010	Superannuation
Mr. Anil Kumar Singh	07004069	Government Nominee Director	Appointment	October 31, 2014	-	Appointed pursuant to letter No. 8/7/2013-Th.I dated 15th October, 2014 from the MoP
Mr. Kaushal Kishore Sharma	03014947	Director (Operations)	Appointment	November 1, 2014	-	Appointed pursuant to letter No. 8/10/2013-Th-I dated 7th October, 2014 from the MoP
Mr. Ajit M. Nimbalkar	02749940	Independent Director	Cessation	January 19, 2015	January 20, 2012	Completion of Tenure
Mr. S. R. Upadhyay	00841288	Independent Director	Cessation	January 19, 2015	January 20, 2012	Completion of Tenure
Ms. H.A. Daruwalla	00365880	Independent Director	Cessation	February 27, 2015	February 28, 2012	Completion of Tenure
Mr. A.N. Chatterji	05219334	Independent Director	Cessation	February 27, 2015	February 28, 2012	Completion of Tenure
Prof. Sushil Khanna	0115364	Independent Director	Cessation	February 27, 2015	February 28, 2012	Completion of Tenure
Mr. I. J. Kapoor	02051043	Director (Commercial)	Cessation	August 20, 2015	December 26, 2008	Resigned consequent upon his appointment as Technical Member of Appellate Tribunal for Electricity
Dr. Alwyn Didar Singh	00275577	Independent Director	Cessation	August 22, 2015	-	Completion of Tenure
Dr. Arup Roy Choudhury	00659908	CMD	Cessation	August 31, 2015	September 1, 2010	Completion of Tenure

Interests of our Directors

Our Directors may be deemed to be interested to the extent of their Equity Shareholding and dividend accruing thereon, along with any fees payable to them for attending meetings of the Board, as well as to the extent of other remuneration and reimbursement of expenses payable to them. For details of Equity Shareholding of our Directors in our Company, see “*Capital Structure*” on page 48.

Our Directors may also be regarded as interested to the extent that they, their relatives or entities in which they are interested as directors, members, partners or trustees are Allotted any Bonds pursuant to the Issue. Further, no benefit / interest shall accrue to any of the Directors of the Company out of the objects of the Issue.

Our Directors have no interest in the promotion of the Company and any immovable property acquired by the Company in the preceding two years from the date of the Draft Prospectus, or any immovable property proposed to be acquired by it.

Except as stated below, none of our Directors nor their relatives, have purchased, sold or financed the purchase by any other person, directly or indirectly, any securities of the Company and its Subsidiaries during the past six months from the date of the Draft Prospectus:

Name of Director	Date	Nature of Security	Number of Securities	Price per Security (in ₹)
Mr. S. C. Pandey	August 8, 2015	Debentures	4,000	12.88
Mr. S. C. Pandey	September 1, 2015	Equity Shares	500	121.85
Mr. S. C. Pandey	September 1, 2015	Equity Shares	500	121.50

Our Company has not appointed any relatives of the Directors of our Company to an office or place of profit.

The Company is promoted by the Government of Indian acting through the President of India and, accordingly, none of our directors are member of a firm or company, to which any sums have been paid or agreed to be paid or otherwise to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the Company.

Except as otherwise stated in “*Annexure A - Financial Information*”, our Company has not entered into any contract, agreement or arrangement during the 2 years preceding the date of this Draft Prospectus, in which our Directors are interested, directly or indirectly, and no payments have been made to them in respect of any such contracts, agreements or arrangements.

Committees of our Board

Our Board has constituted, among others, the following committees of the Board: (i) Audit Committee, (ii) Stakeholders’ Relationship Committee, (iii) Remuneration Committee for Performance Related Pay (iii) Nomination and Remuneration Committee, (iv) Corporate Social Responsibility and Sustainability Committee, and (v) Risk Management Committee. Our Company being a Government Company, the power of appointment of Directors on the Board is vested with the President of India, acting through administrative ministry. Accordingly, our Company has not been able to maintain the minimum Board composition as required under the Companies Act, 2013 and the rules thereunder and the listing agreement.

The details of such Board committees are set forth below.

Audit Committee

The constitution, quorum, scope, etc. of the Audit Committee is in line with the Companies Act, 2013, provisions of the Listing Agreement and Guidelines on Corporate Governance as issued by Department of Public Enterprises, Govt. of India.

Scope of Audit Committee

- Before commencement of Audit, discussion with the auditors about the nature and scope of audit; and after the completion of Audit, deliberation on area of concern.
- Provide an open avenue of communication between the independent auditors, internal auditors and the Board of Directors.
- Approval or any subsequent modification of transactions of the company with related parties
- Scrutiny of inter-corporate loans and investments
- Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing, with the management, the annual financial statements and draft auditor’s report thereon

before submission to the board for approval, with particular reference to:

- a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of related party transactions; and
 - g. Qualifications in the draft audit report.
- Noting the appointment and removal of independent auditors. Recommending audit fee of independent auditors and also approval for payment for any other service.
 - Recommending to the Board the appointment and remuneration of the cost auditors of the Company.
 - Review of observations of C&AG including status of Government Audit paras.
 - Reviewing with the management, statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue etc.), statement of funds utilised for purposes other than those stated in the offer documents/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter.
 - Valuation of undertakings or assets of the company, wherever it is necessary
 - Evaluation of internal financial controls and risk management systems.
 - To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
 - To review the functioning of the Whistle Blower mechanism.
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - To review the follow up action taken on the recommendations of Committee on Public Undertakings (COPU) of the Parliament.
 - Review of:
 - a. Management discussion and analysis of financial condition and results of operations;
 - b. Management letters/ letters of internal control weaknesses; issued by the statutory auditors
 - c. Internal Audit Reports relating to internal control weaknesses.
 - Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
 - Review with the independent auditor the co-ordination of audit efforts to assure completeness of coverage, reduction of redundant efforts and the effective use of all audit resources.
 - Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
 - Consider and review the following with the independent auditor and the management:
 - a) The adequacy of internal controls including computerized information system controls and security, and
 - b) Related findings and recommendations of the independent auditor and internal auditor, together with the management responses.
 - Consider and review the following with the management, internal auditor and the independent auditor:
 - a) Significant findings during the year, including the status of previous audit recommendations, and
 - b) Any difficulties encountered during audit work including any restrictions on the scope of activities or access to required information.
 - Review of appointment and removal of the Chief Internal Auditor.
 - Reviewing, with the management, the performance of the internal auditors and of the independent auditors and effectiveness of the audit process.
 - Review of internal audit observations outstanding for more than two years.
 - Any matter referred to it by the Board or any other terms of reference as amended by the Companies Act, 2013 & rules made thereunder, the Listing Agreement and Guidelines issued by DPE.

Constitution

The Audit Committee has been constituted with the membership of:

- Four independent Directors to be nominated by the Board from time to time.
- Joint Secretary & Financial Advisor (JS & FA), Ministry of Power (MOP), Government of India nominated on the Board of NTPC

Composition

Due to insufficient number of Independent Directors on the Board, as on 04.09.2015, the Audit Committee comprised the following members:-

Mr. Prashant Mehta	Independent Director
Dr. Pradeep Kumar	Government Nominee
Position Vacant	Independent Director

Stakeholders' Relationship Committee

As per clause 49 of the Listing Agreement, every listed Company is required to constitute 'Stakeholders' Relationship Committee' to consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of financial statements, non-receipt of declared dividends. Further, as per section 178 of the Companies Act, 2013, every Company having more than 1000 Shareholders, shall constitute Stakeholders' Relationship Committee.

In compliance of above, the Nomenclature of existing Shareholders'/ Investors' Grievance Committee was changed to Stakeholders' Relationship Committee.

Scope of the Committee

The scope of the Committee is to consider and resolve the grievances of security holders of the Company inter-alia including transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.

Constitution

The Committee has been constituted with the membership of:

- Two non-Executive Directors
- Director (Finance), NTPC, and
- Director (HR) or Director (Technical), NTPC

Composition

Due to insufficient number of Independent Directors on the Board, as on 04.09.2015, this committee comprised the following Directors:

Mr. Prashant Mehta	Independent Director
Mr. U.P. Pani	Director (HR)
Mr. K. Biswal	Director (Finance)

Remuneration Committee for Performance Related Pay

Our Company, being a Central Public Sector Undertaking, the appointment, tenure and remuneration of Directors are decided by the President of India. However, as per the provisions of the DPE Guidelines, a Remuneration Committee was constituted to decide the annual bonus/variable pay pool and policy for its distribution within the prescribed limits.

This Committee has now been rechristened as Remuneration Committee for PRP (Performance Related Pay) after constitution of Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013 and as per Clause 49 (IV) of the Listing Agreement.

As on September 4, 2015, the Committee comprised the following Members:

Mr. Prashant Mehta	Independent Director
Dr. Pradeep Kumar	Government Nominee Director
Position Vacant	Independent Director

Director (Human Resources) and Director (Finance) are the permanent invitees to the Meeting of the Remuneration Committee.

Nomination And Remuneration Committee

The terms of the reference of Nomination and Remuneration Committee is to identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance, formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommending policy relating to remuneration of the Directors, key managerial personnel and other employees and to devise a policy on Board diversity.

Our Company, being a Government Company, its Directors (whether executive or non-executive) are appointed by the President of India as per the Articles of Association of the Company. The appointment of the Functional and Independent Directors is made on the basis of the approval of the Appointment Committee of the Cabinet. The remuneration of employees of CPSEs is decided by the Department of Public Enterprises and evaluation of the performance of Functional Directors is made by CMD and Secretary of the concerned Administrative Ministry as per DPE Guidelines and that of the Chairman is made by the Secretary of the Administrative Ministry and the Concerned Minister. The evaluation of the performance of the Board is done by the MOU Task Force of the DPE, GOI annually while evaluating the performance of the Company vis-à-vis the targets set out. Thus, there may be practical difficulty in implementing the scope of this Committee.

As on September 4, 2015, the Committee comprised the following Members:

Mr. A.K. Jha	Chairman & Managing Director
Mr. Prashant Mehta	Independent Director
Mr. A.K. Singh	Government Nominee Director
Position Vacant	Independent Director

Chairman of the Committee is senior most Independent Director present in the Meeting.

Corporate Social Responsibility and Sustainability Committee

This Committee has been reconstituted as per the requirements of Section 135 of the Companies Act, 2013. This Committee is constituted to formulate and recommend to the Board, Corporate Social Responsibility Policy as per Schedule VII of the Companies Act, 2013 as amended from time to time; to recommend the amount of expenditure to be incurred on the activities specified in the CSR Policy; to monitor the Corporate Social Responsibility Policy of the company from time to time; and any other matter as the Board may delegate from time to time.

This Committee formulates and recommend to the Board CSR Policy (including sustainable development) from time to time.

As on September 4, 2015, the Committee comprised the following members:

Mr. A.K. Jha	Chairman & Managing Director
Mr. Umesh Prasad Pani	Director (HR)
Mr. Kulamani Biswal	Director (Finance)
Dr. Pradeep Kumar	Government Nominee
Position Vacant	Independent Director

Risk Management Committee

Pursuant to Clause 49 (VI) of the Listing Agreement, Risk management Committee has been constituted to finalise risk assessment under the Risk Management Framework; monitor and review risk management plan/framework as approved by the Board and earlier assigned to Enterprise Risk Management Committee (ERMC);

informing the Board about the risk assessed and action required to be taken/ already taken for mitigating the risks on quarterly basis by the Chief Risk Officer (CRO) and take up any other matter as directed by the Board from time to time.

With the constitution of Risk Management Committee, existing ERM, which was an Executive Director level Committee, has ceased to exist. However, the Enterprise Risk Management Framework shall continue to exist as before. This framework is reviewed periodically by the Board. Details on risk management mechanism are given in the Management's Discussion and Analysis report in this Report.

Two meetings of Enterprise Risk Management Committee and one meeting of Risk Management Committee were held during the financial year 2014-15.

As on September 4, 2015, the Committee comprised the following Members:

Mr. A.K. Jha	Director (Technical)
Mr. S.C. Pandey	Director (Projects)
Mr. K.K. Sharma	Director (Operations)
Mr. A.K. Ahuja	Executive Director (CP)/ Chief Risk Officer(CRO), Member
Mr. Sharad Anand	Regional Executive Director (Coal Mining)*

**Any other Executive Director/ Group General Manager or General Manager (Incharge of the Department) as may be nominated by the Chairman & Managing Director.*

Further, Regional Executive Director (s)/ Executive Director (s)/ Functional Head at the level of Group General Manager/ General Manager shall be special invitees to the Meetings of the Risk Management Committee, on case to case basis, based on major risks identified and required to be reported/ taken care of.

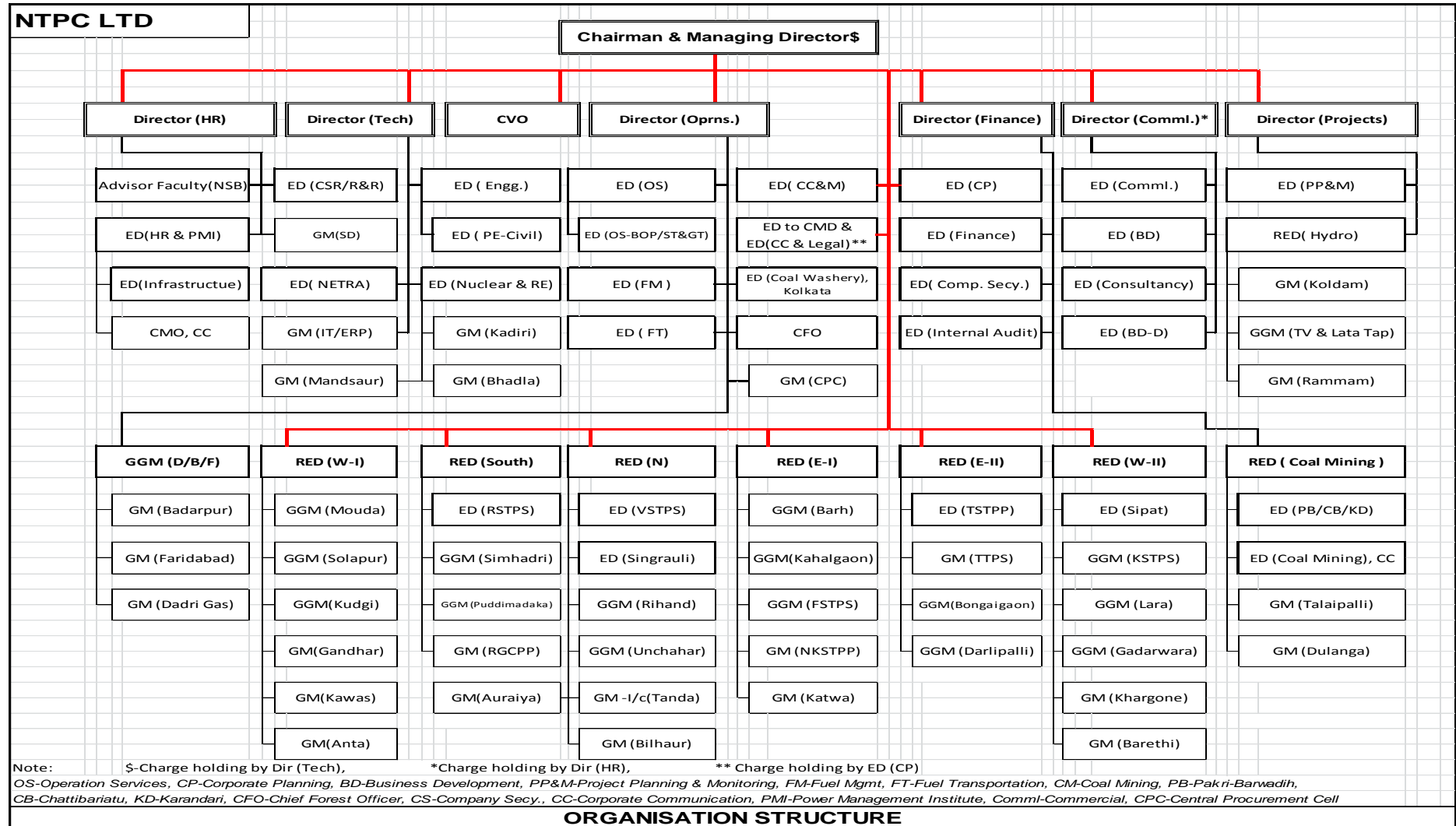
Payment or benefits to Officers of our Company and no default

Our Directors are entitled to profit related pays as per the policy decided by our Nomination and Remuneration Committee based on profitability and performance of our Company and the concerned Director each year. Further, except certain post-retirement medical benefits and statutory benefits upon termination of employment or upon superannuation, no officer of our Company is entitled to any benefit.

None of our Directors have been identified as a willful defaulter by the Reserve Bank of India and/or the Export Credit Guarantee Corporation of India Limited and/or other authorities.

Organization chart

Our Company's management organization structure is set forth below:



PROMOTER

Our Promoter is the President of India acting through the MoP. Our Promoter currently holds 74.96% of the paid-up Equity Share capital of our Company.

Since our Promoter is not making any contribution in the Issue, the requirement to mention the sources of promoters' contribution as per the requirements of Companies Act, 2013, is not applicable.

DESCRIPTION OF FINANCIAL INDEBTEDNESS

Set forth below is a summary of our Company's outstanding secured and unsecured borrowings, on a standalone basis, as at June 30, 2015. For more information, see "Annexure A – Financial Information".

S. No.	Category of Borrowing	Outstanding Amount (in ₹ crore)
1.	Unsecured foreign currency loans	14,385.02
2.	Unsecured foreign currency bonds	11,579.40
3.	Unsecured domestic loans	36,312.72
4.	Secured bonds	23,396.34
5.	Unsecured financial lease obligation	98.48
Total		85,771.96

A. Unsecured foreign currency loans

Lender Name	Type of Facility	Amount Sanctioned (in million)	Loan outstanding as on June 30, 2015 (in ₹ crore)	Repayment Date/Schedule
Japan Bank for International Co-operation ("JICA")	Loan	JPY 19,370.00	597.58	39 half-yearly instalments commencing February 20, 2007
JICA	Loan	JPY 12,190.00	501.76	39 half-yearly instalments commencing March 20, 2011
JICA	Loan	JPY 27,290 .00	1,053.11	35 half-yearly instalments commencing February 20, 2012
JICA	Loan	JPY 1,250.00	37.02	26 half-yearly instalments commencing March 20, 2013
Korea Exim Bank, BNP Paribas and HSBC Bank	Loan	US\$ 354.25	990.48	22 half-yearly instalments commencing August 14, 2008
Asian Development Bank	Loan	US\$ 75.00	268.07	7 half-yearly instalments commencing August 14, 2013
KfW	Loan	US\$ 100.00	183.80	14 half-yearly instalments commencing September 15, 2010
Sumitomo Mitsui Banking Corporation, (SMBC).	Loan	US\$ 380.00	1,833.38	28 half-yearly instalments commencing May 20, 2012
Nordic Investment Bank	Loan	€ 68.56	275.66	18 half-yearly instalments commencing July 20, 2011
The Bank of Tokyo-Mitsubishi UFJ	Loan	US\$ 300.00	1,929.90	4 half-yearly instalments commencing June 15, 2016
Mizuho Corporate Bank	Loan	US\$ 100.00	643.30	4 half-yearly instalments commencing September 15, 2017
KfW	Loan	€ 72.50	480.96	24 half-yearly instalments commencing September 30, 2014
State Bank of India, New York and Mizuho Corporate Bank	Loan	US\$ 250.00	1,608.25	2 half-yearly instalments commencing July 29, 2019
KfW- Mouda-II (ECA)	Loan	€ 52.00	328.48	24 half-yearly instalments commencing June 30, 2017

Lender Name	Type of Facility	Amount Sanctioned (in million)	Loan outstanding as on June 30, 2015 (in ₹ crore)	Repayment Date/ Schedule
KfW-ESP	Loan	€ 95.00	340.13	16 half-yearly instalments commencing September 15, 2017
KfW-Mouda-II(ESP & other)	Loan	€ 55.00	180.92	16 half-yearly instalments commencing March 15, 2018
JBIC & SMBC	Loan	US\$ 350.00	1,120.42	24 half-yearly instalments commencing February 17, 2017
JBIC & SMBC	Loan	¥ 8021.62	403.55	24 half-yearly instalments commencing May 23, 2017
Mizuho -II	Loan	US\$ 250.00	1,608.25	4 half-yearly instalments commencing March 26, 2020
Total	-	-	14,385.02	

B. Unsecured foreign currency bonds

Debenture Series	Tenor/ Period of Maturity	Coupon (%)	Amount Outstanding (in Rs. crore)	Deemed Date of Allotment	Redemption Date/ Schedule	Credit Rating
EUROBONDS 2016*	10 years from deemed date of allotment	5.875	1,929.90	March 2, 2006	Bullet repayment on March 2, 2016	S&P BBB- (Stable Outlook) Fitch BBB- (Stable Outlook)
EURO BOND 2021*	10 years from deemed date of allotment	5.625	3,216.50	July 14, 2011	Bullet repayment on July 14, 2021	S&P BBB- (Stable Outlook) Fitch BBB- (Stable Outlook)
EURO BOND 2022*	10 years from deemed date of allotment	4.75	3,216.50	October 3, 2012	Bullet repayment on October 3, 2022	S&P BBB- (Stable Outlook) Fitch BBB- (Stable Outlook)
EURO BOND 2024*	10 years from deemed date of allotment	4.375	3,216.50	November 26, 2014	Bullet repayment on November 26, 2024	S&P BBB- (Stable Outlook) Fitch BBB- (Stable Outlook)
	Total		11,579.40			

*The noteholders may demand early redemption if the GoI at any time ceases to own, directly or indirectly, more than 50.00% of the voting securities of our Company.

C. Unsecured domestic loans

Lender's Name	Loan	Type of facility	Amount Sanctioned as per Agreement (In ₹ Crore)	Principal Amount outstanding (In ₹ Crore)	Repayment Date/ Schedule
Allahabad Bank	II	Term Loan	400	28.57	14 equal half-yearly installments commencing March 23, 2009
Allahabad Bank	III	Term Loan	500	235.71	14 equal half-yearly installments commencing March 28, 2014
Allahabad Bank	IV	Term Loan	500	200.00	9 annual installments commencing December 31, 2021
Andhra Bank	I	Term Loan	150	85.71	14 equal half-yearly installments commencing August 13, 2012
Andhra Bank	II	Term Loan	300	300.00	10 equal annual installments commencing March 28, 2019
Axis Bank Ltd	I	Term Loan	250	178.57	14 equal half-yearly installments commencing September 30, 2013
Bank of India	II	Term Loan	2000	1,500.00	10 equal annual installments commencing June 28, 2019
Bank of Baroda	I	Term Loan	2000	200.00	9 annual installments commencing December 15, 2021
Bank of Maharashtra	III	Term Loan	300	192.86	14 equal half-yearly installments commencing March 22, 2013
Bank of Maharashtra	IV	Term Loan	100	90.00	20 equal half-yearly installments commencing September 23, 2014
Bank of Maharashtra	V	Term Loan	400	400.00	16 equal half-yearly installments commencing September 29, 2016
Canara Bank	II	Term Loan	2750	62.86	14 equal half-yearly installments commencing December 31, 2012
Canara Bank	III	Term Loan	1000	400.00	20 equal half-yearly installments commencing September 28, 2018
Central Bank of India	II	Term Loan	275	39.29	14 equal half-yearly installments commencing March 30, 2010
Central Bank of India	III	Term Loan	550	235.71	14 equal half-yearly installments commencing December 23, 2011
Central Bank of India	IV	Term Loan	500	5.71	14 equal half-yearly installments commencing December 31, 2012
Central Bank of India	V	Term Loan	490	50.00	10 equal annual installments commencing June 28, 2019
Citi Bank N.A.	II	Term Loan	100	3.57	14 equal half-yearly installments commencing Jun 27, 2009
Corporation Bank	II	Term Loan	200	14.29	20 equal half-yearly installments commencing Jan 5, 2009
Corporation Bank	III	Term Loan	500	335.00	14 equal half-yearly installments commencing Mar 28, 2018
Dena Bank	I	Term Loan	200	100.00	14 equal half-yearly installments commencing February 16, 2012
Dena Bank	II	Term Loan	500	410.00	20 equal half-yearly installments commencing December 1, 2017
Dena Bank	III	Term Loan	500	100.00	10 equal annual installments commencing July 21, 2020
HDFC Bank Limited	II	Term Loan	1000	432.14	14 equal half-yearly installments commencing April 26, 2014
HDFC Bank Limited	III	Term Loan	2000	200.00	9 annual installments commencing December 4, 2021
HUDCO Ltd	I	Term Loan	2000	302.23	22 equal half-yearly installments commencing May 31, 2014
IDBI Limited	III	Term	1000	7.14	14 equal half-yearly installments

Lender's Name	Loan	Type of facility	Amount Sanctioned as per Agreement (In ₹ Crore)	Principal Amount outstanding (In ₹ Crore)	Repayment Date/ Schedule
		Loan			commencing September 30, 2013
IDFC Ltd	I	Term Loan	200	120.00	40 equal quarterly installments commencing August 26, 2011
IDFC Ltd	II	Term Loan	300	210.00	40 equal quarterly installments commencing September 30, 2012
IDFC Ltd	III	Term Loan	2000	2,000.00	10 equal annual installments commencing April 15, 2020
Indian Bank	II	Term Loan	300	94.29	14 equal half-yearly installments commencing December 31, 2012
Indian Bank	III	Term Loan	500	500.00	16 equal half-yearly installments commencing December 1, 2016
Indian Overseas Bank	II	Term Loan	100	14.29	14 equal half-yearly installments commencing September 29, 2009
Indian Overseas Bank	III	Term Loan	2000	940.00	16 equal half-yearly installments commencing March 19, 2016
Indian Overseas Bank	IV	Term Loan	1900	200.00	9 annual installments commencing December 11, 2021
Jammu & Kashmir Bank	III	Term Loan	600	350.00	10 equal annual installments commencing December 18, 2018
Karnataka Bank Ltd	I	Term Loan	100	1.07	14 equal half-yearly installments commencing March 29, 2010
Life Insurance Corporation of India	III	Term Loan	4000	966.62	20 equal half-yearly installments commencing December 31, 2007
Life Insurance Corporation of India	IV	Term Loan	1000	571.43	14 equal half-yearly installments commencing August 4, 2012
Life Insurance Corporation of India	V	Term Loan	1000	571.00	14 equal half-yearly installments commencing September 17, 2012
Oriental Bank of Commerce	I	Term Loan	500	178.57	14 equal half-yearly installments commencing June 15, 2011
Oriental Bank of Commerce	II	Term Loan	500	7.14	14 equal half-yearly installments commencing September 30, 2013
Oriental Bank of Commerce	III	Term Loan	1000	100.00	9 annual installments commencing December 11, 2021
Power Finance Corporation Ltd	V	Term Loan	10000	8,333.33	48 equal quarterly installments commencing July 15, 2013
Punjab & Sind Bank	I	Term Loan	500	321.43	14 equal half-yearly installments commencing March 22, 2013
Punjab & Sind Bank	II	Term Loan	300	200.00	14 equal half-yearly installments commencing March 28, 2019
Punjab National Bank	II	Term Loan	1000	53.57	14 equal half-yearly installments commencing March 27, 2010
South Indian Bank	II	Term Loan	100	0.64	14 equal half-yearly installments commencing January 31, 2013
State Bank of Hyderabad,	II	Term Loan	500	7.14	14 equal half-yearly installments commencing September 30, 2013
State Bank of Hyderabad,	III	Term Loan	500	400.00	10 equal annual installments commencing January 31, 2020
State Bank of Bikaner & Jaipur	II	Term Loan	500	300.00	10 equal annual installments commencing Mar 14, 2020
State Bank of	IV	Term	1500	214.32	14 equal half-yearly installments

Lender's Name	Loan	Type of facility	Amount Sanctioned as per Agreement (In ₹ Crore)	Principal Amount outstanding (In ₹ Crore)	Repayment Date/ Schedule
India		Loan			commencing August 28, 2009
State Bank of India	V	Term Loan	1500	642.86	14 equal half-yearly installments commencing September 30, 2011
State Bank of India	VI	Term Loan	8500	900.00	14 equal half-yearly installments commencing September 30, 2012
State Bank of India	VII	Term Loan	10000	6,600.00	16 equal half-yearly installments commencing September 30, 2015
State Bank of India	VIII	Term Loan	10000	900.00	9 annual installments commencing January 31, 2022
State Bank of Mysore	II	Term Loan	500	150.00	10 equal annual installments commencing Jun 20, 2020
Syndicate Bank	II	Term Loan	500	117.86	14 equal half-yearly installments commencing September 30, 2013
Syndicate Bank	III	Term Loan	1000	780.00	16 equal half-yearly installments commencing December 1, 2016
Syndicate Bank	IV	Term Loan	1000	200.00	9 annual installments commencing December 05, 2021
Tamilnad Mercantile Bank Limited	I	Term Loan	100	35.71	14 equal half-yearly installments commencing March 27, 2011
The Karur Vysya Bank Limited	II	Term Loan	75	10.71	14 equal half-yearly installments commencing September 29, 2009
The Karur Vysya Bank Limited	III	Term Loan	100	71.43	14 equal half-yearly installments commencing September 30, 2013
UCO Bank Limited	II	Term Loan	500	500.00	16 equal half-yearly installments commencing September 29, 2016
Union Bank of India	II	Term Loan	2000	1,060.00	20 equal half-yearly installments commencing February 1, 2017
United Bank of India	II	Term Loan	400	171.43	14 equal half-yearly installments commencing September 28, 2011
United Bank of India	III	Term Loan	225	128.57	14 equal half-yearly installments commencing September 23, 2012
United Bank of India	IV	Term Loan	250	250.00	16 equal half-yearly installments commencing September 29, 2016
Vijaya Bank	II	Term Loan	300	85.71	14 equal half-yearly installments commencing August 26, 2010
Vijaya Bank	III	Term Loan	225	96.43	14 equal half-yearly installments commencing September 28, 2011
Vijaya Bank	IV	Term Loan	379	297.79	14 equal half-yearly installments commencing March 15, 2014
Vijaya Bank	V	Term Loan	350	350.00	14 equal half-yearly installments commencing September 29, 2015
Vijaya Bank	VI	Term Loan	285	200.00	10 equal annual installments commencing March 14, 2020
TOTAL				36,312.72	

D. Secured bonds

Debenture Series	Tenor/ Period of Maturity	Coupon (%)	Amount Outstanding (in ₹ crore)	Deemed Date of Allotment	Redemption Date/ Schedule	Credit Rating	Security*
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Debenture Series	Tenor/ Period of Maturity	Coupon (%)	Amount Outstanding (in ₹ crore)	Deemed Date of Allotment	Redemption Date/ Schedule	Credit Rating	Security*
XIIIA ⁽¹⁾	15 years from deemed date of allotment	9.55	150.00	April 18, 2002	Redeemable at par in 10 equal annual instalments commencing April 18, 2008	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific movable and immovable assets of our Company
XIIIB ⁽¹⁾	15 years from deemed date of allotment	9.55	150.00	April 30, 2002	Redeemable at par in 10 equal instalments commencing April 30, 2008	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific movable and immovable assets of our Company
XVI	15 years from deemed date of allotment	8.00	100.00	April 10, 2003	Redeemable at par on April 10, 2018	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XVII	20 years from deemed date of allotment	8.48	50.00	May 1, 2003	Redeemable at par on May 1, 2023	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XIX	15 years from deemed date of allotment	7.50	50.00	January 12, 2004	Redeemable at par on January 12, 2019	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific movable and immovable assets of our Company
XX	14 years from deemed date of allotment	7.552	200.00	March 23, 2005	Redeemable at par in 20 equal half-yearly instalments commencing September 23, 2009 until March 23, 2019	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXI	14 years from deemed date of allotment	7.7125	500.00	February 2, 2006	Redeemable at par in 20 equal half-yearly instalments commencing August 2, 2010 until February 2, 2020	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific movable and immovable assets of our Company
XXII	14 years from deemed date of allotment	8.1771	300.00	January 2, 2007	Redeemable at par in 20 equal half-yearly instalments commencing	CRISIL AAA CARE AAA [ICRA]	First <i>pari passu</i> charge on specific immovable assets of our

Debenture Series	Tenor/ Period of Maturity	Coupon (%)	Amount Outstanding (in ₹ crore)	Deemed Date of Allotment	Redemption Date/ Schedule	Credit Rating	Security*
					July 2, 2011 until January 2, 2021	AAA (Stable)	Company
XXIII	14 years from deemed date of allotment	8.3796	300.00	February 5, 2007	Redeemable at par in 20 equal half-yearly installments commencing August 5, 2011 until February 5, 2021	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXIV	14 years from deemed date of allotment	8.6077	300.00	March 9, 2007	Redeemable at par in 20 equal half-yearly installments commencing September 9, 2011 until March 9, 2021	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXV	10 years and 343 days from deemed date of allotment	9.37	249.75	December 28, 2007	Redeemable at par in 14 half-yearly installments commencing from June 4, 2012 and ending on December 4, 2018.	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXVI	10 years and 309 days from deemed date of allotment	9.06	249.75	January 31, 2008	Redeemable at par in 14 equal half-yearly installments commencing June 4, 2012 until December 4, 2018	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXVII	15 years from deemed date of allotment	11.25	350.00	November 6, 2008	Redeemable at par in 5 equal annual installments commencing November 6, 2019 until November 6, 2023	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXVIII ⁽²⁾	10 years from deemed date of allotment	11.00	1,000.00	November 21, 2008	Redeemable at par on November 21, 2018	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXIX ⁽²⁾	10 years from deemed	8.65	550.00	February 4, 2009	Redeemable at par on February 4, 2019	CRISIL AAA CARE	First <i>pari passu</i> charge on specific

Debenture Series	Tenor/ Period of Maturity	Coupon (%)	Amount Outstanding (in ₹ crore)	Deemed Date of Allotment	Redemption Date/ Schedule	Credit Rating	Security*
	date of allotment					AAA [ICRA] AAA (Stable)	immovable assets of our Company
XXX ⁽²⁾	10 years from deemed date of allotment	7.89	700.00	May 5, 2009	Redeemable at par on May 5, 2019	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXXI ⁽³⁾	10 years from deemed date of allotment	8.78	500.00	March 9, 2010	Redeemable at par on March 9, 2020	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXXII ⁽²⁾	20 years from deemed date of allotment	8.8493	105.00	March 25, 2010	Redeemable at par 15 equal annual instalments commencing March 25, 2016 until March 25, 2030	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXXIII ⁽³⁾	10 years from deemed date of allotment	8.73	195.00	March 31, 2010	Redeemable at par on March 31, 2020	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXXIV ⁽²⁾	20 years from deemed date of allotment	8.71	150.00	June 10, 2010	Redeemable at par in 15 equal annual installments commencing June 10, 2016 until June 10, 2030	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXXV ⁽²⁾	20 years from deemed date of allotment	8.785	120.00	September 15, 2010	Redeemable at par in 15 equal annual installments commencing September 15, 2016 until September 15, 2030	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXXVI ⁽²⁾	20 years from deemed date of allotment	8.8086	75.00	December 15, 2010	Redeemable at par in 15 equal annual installments commencing December 15,	CRISIL AAA CARE AAA [ICRA] AAA	First <i>pari passu</i> charge on specific immovable assets of our Company

Debenture Series	Tenor/ Period of Maturity	Coupon (%)	Amount Outstanding (in ₹ crore)	Deemed Date of Allotment	Redemption Date/ Schedule	Credit Rating	Security*
					2016 until December 15, 2030	(Stable)	
XXXVII ⁽³⁾	10 years from deemed date of allotment	8.93	300.00	January 19, 2011	Redeemable at par on January 19, 2021	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXXVIII ⁽²⁾	20 years from deemed date of allotment	9.17	75.00	March 22, 2011	Redeemable at par in 15 equal annual installments commencing March 22, 2017 until March 22, 2031	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XXXIX ⁽²⁾	20 years from deemed date of allotment	9.3896	105.00	June 9, 2011	Redeemable at par in 15 equal annual instalments commencing June 9, 2017 until June 9, 2031	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XL ⁽²⁾	20 years from deemed date of allotment	9.558	75.00	July 29, 2011	Redeemable at par in 15 equal annual instalments commencing July 29, 2017 until July 29, 2031	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XLI ⁽²⁾	20 years from deemed date of allotment	9.6713	75.00	December 23, 2011	Redeemable at par in 15 equal annual instalments commencing December 23, 2017 until December 23, 2031	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XLII ⁽²⁾	15 years from deemed date of allotment	9.00	500.00	January 25, 2012	Redeemable at par in 5 equal annual instalments commencing January 25, 2023 until January 25, 2027	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XLIII ⁽²⁾	20 years from deemed date of	9.2573	75.00	March 2, 2012	Redeemable at par in 15 equal annual instalments	CRISIL AAA CARE AAA AAA	First <i>pari passu</i> charge on specific immovable

Debenture Series	Tenor/ Period of Maturity	Coupon (%)	Amount Outstanding (in ₹ crore)	Deemed Date of Allotment	Redemption Date/ Schedule	Credit Rating	Security*
	allotment				commencing March 2, 2018 until March 2, 2032	[ICRA] AAA (Stable)	assets of our Company
XLIV ⁽²⁾	15 years from deemed date of allotment	9.25	500.00	May 4, 2012	Redeemable at par in 5 equal annual instalments commencing May 4, 2023 until May 4, 2027	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XLV ⁽²⁾	20 years from deemed date of allotment	9.4376	75.00	May 16, 2012	Redeemable at par in 15 equal annual instalments commencing May 16, 2018 until May 16, 2032	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XLVI ⁽²⁾	20 years from deemed date of allotment	9.3473	75.00	July 20, 2012	Redeemable at par in 15 equal annual instalments commencing July 20, 2018 until July 20, 2032	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XLVII ⁽²⁾	10 years from deemed date of allotment	8.84	390.00	October 4, 2012	Redeemable at par on October 4, 2022	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XLVIII ⁽²⁾	10 years from deemed date of allotment	8.73	300.00	March 7, 2013	Redeemable at par on March 7, 2023	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
XLIX ⁽²⁾	10 years from deemed date of allotment	8.80	200.00	April 4, 2013	Redeemable at par on April 4, 2023	CRISIL AAA CARE AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
L – 1A/2A/3A ⁽¹⁾	10/15/20 Years from the deemed date of allotment	8.41	488.03	December 16, 2013	Redeemable at par on December 16, 2023/2028/2033	CRISIL AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
L – 1B/2B/3B ⁽¹⁾		8.48	249.95				
		8.66	312.03				

Debenture Series	Tenor/ Period of Maturity	Coupon (%)	Amount Outstanding (in ₹ crore)	Deemed Date of Allotment	Redemption Date/ Schedule	Credit Rating	Security*
		8.66	208.64				
		8.73	91.39				
		8.91	399.97				
LI – A/B/C ⁽¹⁾	10/15/20 Years from the deemed date of allotment	8.19 8.63 8.61	75 105 320	March 4 , 2014	Redeemable at par on March 04,2024 /2029/2034	CRISIL AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
LII ⁽¹⁾	10 Years from the deemed date of allotment	9.34	750	March 24, 2014	Redeemable at par on March 24, 2024	CRISIL AAA [ICRA] AAA (Stable)	First <i>pari passu</i> charge on specific immovable assets of our Company
53 ⁽²⁾	10 Years from the deemed date of allotment	9.17	1000	September 22, 2014	Redeemable at par on September 22, 2024	CRISIL AAA [ICRA] AAA (Stable) CARE AAA	First charge on specific immovable assets of our Company
54 ⁽¹⁾	8/9/10 years from deemed date of allotment	8.49	10,306.83	March 25,2015	Redeemable at par on March 25, 2023/24/25 in the ratio 20:40:40	CRISIL AAA [ICRA] AAA (Stable) CARE AAA	First charge on specific immovable assets of our Company
	Total		23,396.33				

* Bonds are secured under various trust deeds. The bonds are secured by a first *pari passu* charge through registered/equitable mortgage (mortgage by deposit of title deeds) of immovable property and/or hypothecation of all present and future movable assets (excluding receivables) of our Company's various power stations/projects/offices.

(1) These bonds are listed on NSE and BSE.

(2) These bonds are listed on the wholesale debt market of NSE.

(3) These bonds are listed on the wholesale debt market of BSE.

Note: On August 21, 2015, the Company has issued 7.15% series 55 tax free bonds for ₹300 crore under CBDT notification which are redeemable at par on August 21, 2025. These bonds are rated AAA by CRISIL and ICRA. The same are listed on NSE and BSE and are yet to be secured.

E. Unsecured financial lease obligation

Type of Facility	Amount Outstanding (in ₹ Crore)	Repayment Schedule	Security and Credit Rating
Unsecured financial lease obligation	98.48	Finance lease obligation are repayable in instalments as per the terms of the lease agreements over a period of seven years	Not applicable
Total			98.48

F. Details of default in statutory dues or debt servicing, amount and duration of default

Except as mentioned in this Draft Prospectus, there are no defaults in payment of statutory dues and repayment of borrowings.

Particulars of debt securities issued (i) for consideration other than cash, whether in whole or part, (ii) at a premium or discount, or (iii) in pursuance of an option

Our Company confirms that out of its outstanding debt securities, it has not issued any debt securities or agreed to issue debt securities for consideration other than cash, whether in whole or in part, in pursuance of an option or at a premium or discount except the following:

Series	Nature of Security	Mode	Coupon	Date of Issue	Amount ₹ Crore	Issued at Premium	Issued at Discount
Series LI A (Tax Free)	Bonds	Private Placement	8.19%	04.03.2014	75.00	75,000	Nil
Series LI B (Tax Free)	Bonds	Private Placement	8.63%	04.03.2014	105.00	2,75,000	Nil
Series LI C (Tax Free)	Bonds	Private Placement	8.61%	04.03.2014	320.00	1,92,0000	Nil
				Total	500.00	22,70,000	Nil
Series 55 (Tax Free)	Bonds	Private Placement	7.15%	21.08.2015	300.00	12,80,000	Nil

Further, under the authorisation granted by the shareholders of the Company dated February 10, 2015, we have also issued Bonus Debentures out of free reserves; however, keeping in view the structure of the transaction, wherein money was first paid as deemed dividend to escrow account and then received back, the same is not considered as being issued for consideration other than cash. For details, please see “*Capital Structure*” on page 47.

Amount of corporate guarantees issued by the issuer in favour of various counter parties including its subsidiaries, joint venture entities, group companies, etc.

Our Company has not given any corporate guarantee to its subsidiaries, joint venture companies or its associates. However, it has given 2 sponsor’s undertaking to Meja Urja Nigam Private Limited amounting to ₹ 972.71 crore and ₹ 7,574.77 crore, respectively.

Bank guarantee of 0.50% of total contract price to be undertaken by NTPC-BHEL Power Projects Private Limited for a cumulative amount of ₹ 75 crore.

Commercial Paper Issued by the Company

Our Company does not have any outstanding Commercial Paper as on June 30, 2015.

Other borrowings (including hybrid debt like foreign currency convertible bonds (“FCCBs”), optionally convertible bonds/ debentures/ preference shares)

Our Company has not issued any hybrid debt like foreign currency convertible bonds, optionally convertible bonds / debentures/ preference shares etc.

Servicing behaviour on existing debt securities, payment of due interest on due dates on term loans and debt securities

As at the date of the Draft Prospectus, there has been no default and/or delay in payment of principal or interest on any existing secured or unsecured term loan or debt security and other financial indebtedness including any corporate guarantees issued by our Company in the past 5 years.

Our Company does not have any outstanding corporate guarantees or commercial paper as on June 30, 2015.

Apart from the indebtedness mentioned above and in “*Annexure A - Financial Information*”, our Company does not have any other borrowings.

SECTION V – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION

In the ordinary course of our business, we as well as certain of our officers and employees are involved in legal, regulatory, arbitral and administrative proceedings and claims at various levels of adjudication, including criminal cases (including motor accidents claims, fatal accidents claims, dishonour of cheques, etc.), PIL, appeals against tariff orders of the CERC, civil suits, arbitral claims, taxes (including income and sales tax) and other statutory levies (including royalty and stamp duty claims), employment-related disputes, land-acquisition related disputes and environmental disputes. The total claim against our Company in all such proceedings is not ascertainable, as the monetary claim against us has not been quantified or is subject to assessment or reassessment in many instances. The following is a summary of certain material legal proceedings involving our Company as on the date of this Draft Prospectus. For the purpose of this section, pending legal proceedings where there is monetary claim of ₹100 crore or above against our Company have been considered material, as well as certain other material criminal, tax-related, regulatory and environmental proceedings and PILs. This is not an exhaustive presentation of all legal, regulatory, arbitral and administrative proceedings that our Company is involved in. Also see “Risk Factors” on page 13.

Criminal Cases

In the ordinary course of our business, we as well as certain of our officers and employees are involved, from time to time, in various claims and proceedings of a criminal nature (including motor accident claims, fatal accident claims, dishonour of cheques, claims regarding theft of goods including wire, tires, computers, sewing machines, etc., criminal miscellaneous petitions for revision, enforcement or quashing of orders previously passed in relation to employment claims by former employees, relatives of deceased employees, displaced persons, an altercation at one of our project sites (Pakri-Barwadih) resulting in deaths of, or injuries to, local citizenry, due to police firing, etc.) pending at different levels of investigation or adjudication, including approximately 100 cases, where the aggregate financial implication for our Company, if any, is unascertainable. None of our Directors is involved in any criminal proceedings, other than as provided below. Set out below are details of material criminal proceedings that our Company is involved in:

1. Deoki Nandan Loharuka filed a criminal writ petition (WP No. 300 of 2011) before the High Court of Orissa at Cuttack against our Chairman and Managing Director and others, alleging that award dated June 16, 2000 passed by the sole arbitrator in respect of a contractual dispute between Deoki Nandan Loharuka and our Company, had been passed through illegal suppression of facts and importing of various void clauses. Deoki Nandan Loharuka had earlier filed an application (MJC No. 210 of 2000) before the High Court of Orissa at Cuttack against such award dated June 29, 2000, which matter was relegated to the District Court, Dhenkanal as application (MJC No. 125 of 2002) by the High Court of Orissa at Cuttack pursuant to order dated April 19, 2002. The District Court, Dhenkanal had further rejected applications for interim relief by Deoki Nandan Loharuka Deoki Nandnan pursuant to order dated March 11, 2005. Accordingly, Deoki Nandan Loharuka has sought in the present criminal writ petition (WP No. 300 of 2011), writs of mandamus and certiorari, calling for the records of the application (MJC No. 125 of 2002 from the District Court, Dhenkanal and appropriate directions against the orders dated April 19, 2007 and April 9, 2008 of the District Court, Dhenkanal, and to recall application (MJC No. 210 of 2000) and set aside the arbitral award dated June 16, 2000 passed by the sole arbitrator. Deoki Nandan Loharuka has further sought orders directing our Company to issue 5,59,873 Equity Shares in his favour as compensation.
2. Our Company filed WP No. 763 of 2010 in the High Court of Chhattisgarh at Bilaspur, challenging the order dated December 10, 2009 of the Industrial Court, dismissing revision petition no. 01/CGIR filed by our Company for quashing proceedings before the Labour Court-cum-Judicial Magistrate First Class (“JMFC”), Korba, initiated by the Assistant Director, Factories, Health and Safety pursuant to criminal complaint no. 552/FA/05 dated November 21, 2005, against a former employee at our Korba plant for non-submission of the on-site emergency plan, and notice dated September 24, 2005. The High Court quashed the orders dated November 25, 2011 and December 10, 2009 and remitted the matter to the Industrial Court for decision on merits.
3. The Chhattisgarh Environment Protection Board, Korba, filed a criminal complaint dated May 6, 2006 (amended subsequently on May 12, 2006 and August 22, 2006) against a general manager of our Company at Korba, alleging violation of the provisions of the Environment Protection Act, 1986 and the

Water (Prevention and Control of Pollution) Act, 1974 in respect of dry ash pollution. The Judicial Magistrate First Class, Katghora, District Korba initiated proceedings through criminal case (No. 690 of 2006), pursuant to order dated May 18, 2006 and issued summons. The general manager in concern filed criminal revision petition (No. 24 of 2007) before the Sessions Judge, Katghora, seeking revision of the cognizance taken by the Judicial Magistrate First Class, Katghora. Such revision petition (No. 24 of 2007) was dismissed by order dated August 17, 2011. Our employee filed criminal miscellaneous petition 638 of 2011 dated September 25, 2011 in the High Court of Chhattisgarh at Bilaspur seeking quashing of the order dated August 17, 2011, as well as the order dated May 18, 2006 along with the entire proceedings under the criminal case (No. 690 of 2006). The High Court of Chattisgarh by order dated November 13, 2013 has remitted back the matter to the Judicial Magistrate First Class, Katghora.

4. Criminal proceedings under miscellaneous case (No. 190/2006) were initiated against a General Manager of our Company at Kahalgaon and another employee under Section 133 of the Criminal Procedure Code, 1973 ("CrPC") in respect of alleged water pollution in the river Ganges on account of discharge of water from ash dyke of our Company. A show-cause notice was accordingly issued to our Company by the Sub-divisional Magistrate, Kahalgaon against such general manager. An objection petition was accordingly filed seeking dropping of such show-cause proceedings.
5. Chittempali Srinu filed a criminal complaint no. 79/2014 dated February 24, 2014 under Section 200 of CrPC before the Court of Judicial Magistrate of First Class at Godavarikhani against our Company, BB. Tripathy General Manager (Operations and Management), Ramagundam Super Thermal Power Station ("RSTPS") and Subhasis Ghosh, General Manager, RSTPS, alleging offences under Section 202 and 304A of the Indian Penal Code, 1860 due to the negligence which resulted in an accident causing the death of Sunani Pavitra. Our Company has filed criminal petition no. 2685 of 2014 dated December 4, 2014, under Section 482 of CrPC before the High Court of Judicature at Hyderabad to quash the proceedings.
6. Mrs. Y. Srividya, Inspector of Factories, Karimnagar filed criminal complaint no. 69/2014 before the Court of the Judicial First Class Munsiff Magistrate at Ramagundam against our Company, BB. Tripathy General Manager (Operations and Management), Ramagundam Super Thermal Power Station and Mr. Subhasis Ghosh, General Manager and Occupier, Ramagundam Super Thermal Power Station alleging contravention of Section 7A (2) (a), Section 7A (2) (c), and Section 41 read with Rule 61(F)(2), 61(F)(3) and 61(F)(4) of the Factories Act, 1948 resulting in the accidental death of three contract workers on November 7, 2013 at RSTPS.

PILs and Environmental Matters

Set out below are details of PILs and material environmental proceedings that our Company is involved in:

1. M.C. Mehta filed WP No. 3727 of 1985 against the Union of India and others in the Supreme Court of India ("Supreme Court"), for pollution in the Singrauli region of Uttar Pradesh. The Supreme Court, by order dated January 12, 1988, directed local authorities in the state of Uttar Pradesh, which have jurisdiction over the Ganga basin, to file affidavits explaining steps taken for prevention of pollution of the river Ganga and, by order dated August 4, 1992, directed the pollution control boards of three states to survey the Ganga basin to identify polluting industries and send notices to each such industry to show that treatment plants for controlling pollution have been installed. M.C. Mehta filed an interlocutory application (I.A. 343 of 1999), impleading our Company as a respondent, alleging that that our Company, under the 1993 World Bank Project scheme, had undertaken a study on the health and environmental impact of proposed capacity expansion of the Vindhyachal and Rihand thermal power plants in Singrauli, which has been maintained as confidential. M.C. Mehta sought directions to our Company to furnish to the Supreme Court studies undertaken by our Company including through the Indian Toxicology Research Centre, Lucknow and Electricite de France and monitoring reports on the deteriorating quality of environment in Singrauli, and to direct relevant authorities to stop further expansion of existing mining, industrial and power generation activities in Singrauli until adequate measures were undertaken to mitigate adverse environmental impact. The Supreme Court, by order dated March 31, 2006, directed our Company and others to place on record updated status of preventive measures installed in units in Singrauli. Our Company filed its replies.
2. The GoI had issued a notification dated September 14, 1999 directing manufacture of bricks using fly-ash in building material and construction activity within 50 kilometres of coal-based or thermal power

plants and a notification dated August 27, 2003 extending the radius to 100 kilometres. B.L. Vadehra filed WP 2145 of 99 against our Company and others alleging non-compliance with the notification dated September 14, 1999 and seeking directions for compliance.

3. Upendra Pandey filed a PIL through writ petition (WP No. 298 of 2005) before the High Court of Madhya Pradesh at Jabalpur, against the Union of India, our Company through the Chairman and Managing Director and others, seeking rehabilitation and resettlement measures to be established and implemented by our Company for land oustees and displaced persons in respect of land acquired by our Company for our project at Vindhyachal, including providing civic amenities, schools, hospitals, roads, water supply, electricity, conservancy and other schemes to uplift the financial conditions of the land oustees. Interim relief was further sought to stop any further construction of stage III of our project at Vindhyachal until disposal of this writ petition. The High Court of Madhya Pradesh, Jabalpur passed an order dated March 19, 2014 to transfer the writ petition (WP No. 298 of 2005) to the National Green Tribunal, Bhopal.
4. Upendra Pandey filed another PIL through writ petition (WP No. 8948 of 2008) against the state of Madhya Pradesh, Northern Coalfields Limited, our Company through an executive director at Vindhyachal and others alleging inadequate rehabilitation and resettlement facilities provided by Northern Coalfields Limited to persons affected due to land acquisition in Singrauli for one of our projects. Upendra Pandey further filed an application for amendment on March 27, 2012 before the High Court of Madhya Pradesh at Jabalpur, seeking to amend the writ petition (WP No. 298 of 2005) to the effect of, among other things, impleading our Company through our executive director at Vindhyachal, Singrauli.
5. Virender Kumar Verma 'Patel' filed a PIL through writ petition (WP No. 6222 of 2004) before the High Court of Allahabad at Lucknow against the Union of India, our General Manager at Vidyanagar and others, to quash the notification dated January 14, 2000 by the Governor of Uttar Pradesh regarding land acquisition policy, prior to the transfer of the Tanda plant to our Company from the Uttar Pradesh SEB, and to direct the state and our Company to redress associated public grievances such as crop compensation and employment of erstwhile Uttar Pradesh SEB employees. The executive director in concern filed a counter affidavit and application for dismissal of the writ petition on October 13, 2006.
6. Rakemul Sk. and another filed a PIL through a writ petition (WP No. 2069(W) of 2010) in the High Court of Calcutta against the state government of West Bengal, the Union of India, our Company through our general managers at Farakka and others, seeking, among other things, writs in the nature of mandamus directing our Company to provide sufficient water outlets, bridges, link road/alternate drainage/sewerage for outletting stagnant rain water and hilly flood water from the Farakka Barrage Project Feeder Canal Bundh Road and repairing of flood affected existing roads, and prevent us from constructing any further ash ponds in such area.
7. Mahamanab Nirved Satya Dhama filed a PIL (OJC 3805 of 1996) against the state government of Orissa, our project at Talcher/our Company through our Chairman and Managing Director and others, before the High Court of Orissa at Cuttack alleging pollution of the Brahmani river by our Company and others, and seeking directions to be issued to our Company to undertake steps to prevent such pollution.
8. Bhmesh Sharma filed a PIL through writ petition (WP No. 3687 of 2013) dated April 8, 2013 in the High Court of Delhi against our Company through our Chairman and Managing Director and others, seeking a writ of mandamus directing our Company to comply with the notification dated September 14, 1999 issued by the Ministry of Environment and Forests, GoI notification regarding disposal of fly ash, and restraining our Company from free disposal of fly ash to any person during pendency of the petition. The High Court of Delhi passed an order dated November 6, 2013 stating that our Company has complied with the notification issued by the GoI and has not favoured any particular contractor with regard to disposal of fly ash and therefore, dismissed the petition. Subsequently, Bhmesh Sharma filed a special leave petition no. 6512/14 against the order dated November 6, 2013 of the High Court of Delhi in writ petition (WP No. 3687 of 2013).
9. Chandrasekhar Bawankule filed a PIL through a writ petition (No. 108 of 2012) dated August 6, 2012 in the High Court of Bombay at Nagpur, against the state government of Maharashtra, the National Highway Authority of India, our Company and others, alleging that a significant number of roads were damaged/affected by extensive use of vehicles, trailers, multi-axled trucks and other vehicles bearing

construction materials required for the construction of projects including our project at Mouda. Chandrasekhar Bawankule has accordingly filed the present writ petition (No. 108 of 2012) seeking among other things, directions in the nature of mandamus directing action to be taken against our officers who may be found guilty in not doing their duty in repairing damaged roads in the vicinity of our project at Mouda and recovering the requisite amounts for such reparations from our Company.

10. M.P. Patil filed appeal no. 12 of 2012 before the National Green Tribunal, New Delhi against our Company and others, challenging the Ministry of Environment and Forests, GoI's grant of environmental clearance for our Kudgi super thermal power project. Our Company filed its reply, verified on July 4, 2012. The National Green Tribunal, New Delhi passed an order in appeal no. 12 of 2012 dated March 13, 2014 against our Company. Subsequently, our Company filed a civil appeal no. 3870 of 2014 dated March 14, 2014 in the Supreme Court. The Supreme Court passed an order dated August 5, 2015 granting stay on the order in appeal No. 12 of 2012.
11. Ashwani Kumar Dube filed case 276 of 2013 before the National Green Tribunal against the Union of India, our Company and others, alleging that our Company has not complied with requirements of the Central Pollution Control Board, the Madhya Pradesh Pollution Control Board and the Ministry of Environment and Forests, GoI, and further not contributed to any measures to safeguard air, water and noise pollution, leading to adverse effect on the health of residents in the Singrauli area. The National Green Tribunal passed an order dated May 13, 2014 directing *inter alia* the Chief Secretaries of the State of Uttar Pradesh and State of Madhya Pradesh to ensure that thermal power plants operating in the area install reverse osmosis plants to supply uncontaminated water to nearby villages.
12. Debesh Das filed writ petition 4437 of 2003 dated April 29, 2003, in the High Court of Orissa at Cuttack, against our Company and others challenging our Company's decision to supply 292 MW of power to Grid Corporation of Orissa Limited out of its allocation of 630 MW for three months due to non-payment of dues, on the ground that it was arbitrary and in violation of the Constitution of India and the statutory rights of an electricity consumer in Orissa.
13. Vikalpa, a NGO, filed writ petition 4162 of 2003 in the High Court of Orissa at Cuttack against the state of Orissa and others challenging the state of Orissa's entry into an agreement with the GoI and RBI assuming liability to discharge payment obligations of the Grid Corporation of Orissa Limited in case of default in its payment obligations under PPAs with our Company, on the ground that it is detrimental to the interests of the residents of Orissa who are not power consumers. Our Company filed application dated July 4, 2003 impleading itself as a party.
14. Satna Motor Transport Association filed writ petition 1372 of 2009 in the High Court of Madhya Pradesh at Jabalpur against the state of Madhya Pradesh and others seeking directions from appropriate authorities to prevent overloading of vehicles transporting cement from cement manufacturers. Our Company is impleaded as a proforma party.
15. The Bombay High Court in a *suo moto* public interest litigation W.P. No. 223 of 2014 dated October 31, 2015 considered the observation of the Supreme Court in writ petition no. 79 of 2005 wherein the Supreme Court considered various suggestions to reduce the occupational hazard of the employees working in various thermal power stations in our country. The Bombay High Court directed the respondents to submit their periodical report to the District Legal Services Committee where the power plants are situated.
16. Mr. Arun Chaudhary filed a writ petition (C.W.J.C No. 10228 of 2015) on behalf of Sanrakshak of Kanti Jan Chetana Manch against our Company and others before the High Court of Patna. The petitioner sought directions to be issued to the respondents to use canal water for the generation of power and to conserve ground water levels.
17. Mr. Arun Choudhary initiated a contempt application no. 1664 of 2015 against our Company for the violation of the order dated March 11, 2015 passed in C.W.J.C No. 15837 of 2012 by which the High Court of Patna directed the respondents to control environment pollution caused by Muzaffarpur Thermal Power Station of M/S Kanti Bijli Utpadan Nigam Limited.
18. Mr. Pankaj Kumar Mishra filed an application no. 162 of 2015 before the National Green Tribunal, New Delhi alleging that the residents of Singrauli region were suffering from various critical diseases due to

pollution created by industries in the region. Further, the petitioner sought directions to compel the respondents to take measures to improve the environment.

19. Mr. Krishan Kant Singh filed application no. 299 of 2013 before the National Green Tribunal, New Delhi. The National Green Tribunal, New Delhi passed an order dated April 22, 2014 directing the Uttar Pradesh Pollution Control Board to serve notices to all industries as mentioned by the Central Pollution Control Board in its' report dated February 7, 2014.
20. Mr. Sanjeev Dutta and Mr. Syed Zafar Ali filed an application no. 195 of 2014 before the National Green Tribunal, Bhopal seeking for directions to stop our Company from using forest land for non-forest purpose and restoration of forest land to its original state.
21. Rashmi Singh and Dev Kumar Haneri filed an application no. 196 of 2014 before the National Green Tribunal, Bhopal alleging non-compliance of conditions imposed by Madhya Pradesh Pollution Control Board dated March 5, 1997, Ministry of Environment and Forests.
22. The Supreme Court in civil appeal no. 6736 of 2013 passed a judgment dated August 13, 2013, directing the Ministry of Environment and Forests to constitute an expert body consisting of representatives of the Wildlife Institute of India ("WII"), State Government, Central Electricity Authority, Central Water Commission and other expert bodies to make a detailed study as to whether hydroelectric power projects existing and under construction have contributed to the environmental degradation of Uttarakhand. Further, in June, 2013 the WII in its report dated December 2012 stated that out of the 39 proposed projects in the area, 24 of the projects including Lata Tapovan Hydro Electric Power Project critically affect biodiversity in the area. Our Company filed an impleadment application dated April 16, 2014. The Supreme Court passed an order dated May 7, 2014 prohibiting further construction in all 24 projects. Our Company filed an application for modification of this order on the ground that the impugned report did not give a detailed analysis of the impact by each project. The Supreme Court appointed a two member committee on October 9, 2014 to overlook the compliance of specific conditions prescribed by MoEF in its report regarding longitudinal connectivity and E-flow.
23. Occupational Health and Safety Association filed a public interest litigation (W.P. No. 3028 of 2014) before the Supreme Court to highlight the health and safety norms of workers in power stations. The Supreme Court disposed of W.P No 3028 of 2014 on January 31, 2014 directing the various High Courts to examine these issues with the assistance of the State Governments. Accordingly, notice was issued to Talcher Super Thermal Power Station of the Company by High Court of Odisha.
24. High Court of Jharkand *suo moto* filed a public interest litigation (WP 1073 of 2014) pursuant to the Supreme Court order WP (C) No. 79/2005 dated July 31, 2014 regarding the public interest litigation filed by Occupational Health and Safety Association with regards to workers of coal firing thermal power station.
25. Sangram Singh filed a public interest litigation (W.P. No. 67 of 2014) before the High Court of Uttarakhand to prohibit our Company from constructing the Lata Tapovan Hydro Power Project and rehabilitate the villagers of the affected areas.

Civil Suits

Set out below are details of material civil suits that our Company is involved in:

1. Our Company filed original suit 95 of 2006 dated December 20, 2005 in the High Court of Bombay against RIL, seeking a declaration that a valid and binding contract exists between the parties for supply of natural gas of 132 trillion BTU *per annum* for a period of 17 years, a decree of specific relief directing RIL to accordingly rectify documents sent by them, and an injunction restraining RIL from supplying, or entering into any contract or arrangement or commitment for supply of, any part of this gas from the KG-DWN-98-3 gas block to any other party.
2. Siemens Aktiengesellschaft (Germany) initiated arbitration (Case No.11728/ACS) against our Company in the International Court of Arbitration, International Chamber of Commerce, arising out of contracts awarded by our Company for execution of main plant package for the Dadri project. The total amount claimed by Siemens Aktiengesellschaft (Germany) is approximately Deutsche Mark 44.11 million

excluding interest. Our Company raised a counter claim of approximately Deutsche Mark 63.40 million, USD 0.20 million, ₹ 2,672.04 million and EURO 210,307 as compensation for losses due to delay in completion. The arbitral tribunal by its award dated July 31, 2002 admitted Siemens Aktiengesellschaft (Germany)'s claim and rejected our Company's counter claim. Our Company filed OMP 462 of 2003 in the High Court of Delhi, which, by order dated May 24, 2005, upheld the partial award. Our Company filed SLP 17700 of 2005 in the Supreme Court, which dismissed the petition in favour of Siemens Aktiengesellschaft (Germany) by order dated November 28, 2007. The arbitration tribunal passed its final award on 6 January, 2009, including the partial awards and claims of Deutsche Mark 25.75 million plus USD 0.88 million were awarded in favour of Siemens Aktiengesellschaft (Germany). Our Company challenged the partial award dated July 31, 2002 and the final award dated January 6, 2009 under petitions (OMP No. 229 of 2009) and (OMP No. 230 of 2009), before the High Court of Delhi, which were both dismissed pursuant to order dated April 26, 2012. Our Company filed appeal (FAO (OS) No. 372 of 2012) against such order dated April 26, 2012, along with application (C.M. No. 14904 of 2012) seeking stay of execution of the final award dated January 6, 2009. The High Court of Delhi at New passed an order dated November 7, 2012 directing stay of execution proceedings subject to deposit by our Company of a certain amount of the claim, which was challenged by our Company by special leave petition (SLP No. 36994 of 2012) before the Supreme Court of India, which passed an order dated December 5, 2012 refusing to interfere with the order dated November 7, 2012. Subsequently, our Company filed an application (CM No. 1322 of 2013) before the Supreme Court of India praying for a modification of the order dated November 7, 2012 to the extent that Siemes Aktiengesellschaft (Germany) may be permitted to withdraw the decretal amount deposited only to a certain extent, which was permitted by order dated February 1, 2013. Siemens Aktiengesellschaft (Germany) filed an application (CM No. 7630 of 2013) praying for release of the decretal amount pursuant to order dated November 7, 2012, as modified and subsequently, filed another application in September 2013 alleging that our Company had not deposited the entire monies as due and seeking directions to our Company to deposit a sum of Euro 2,588,087.98 along with interest.

3. GRIDCO Limited (“**GRIDCO**”), filed writ petition no. 18695 of 2014 challenged the legality and vires of the Regulation 19(b), 26(i)(b), 26(ii)(A)(b) and 26(iv)(b) of Central Electricity Regulatory Commission (Terms & Conditions of Tariff) Regulations, 2009 for the period of 2009-14 (“**2009 Regulations**”). The petitioner purchased electricity from various Central and State Generators, including our Company. The Central Electricity Regulatory Commission (“**CERC**”), through the 2009 Regulations, had allowed significant operational relaxations in favour of the Talcher Thermal Power Station (“**TTPS**”), compared with Benchmark Norms fixed by it for other major power stations on the grounds that is an old taken-over plant. The petitioner submitted that allowing TTPS to recover huge amount of expenditure towards renovation and modernization works and at the same time allowing it to run under relaxed norms amounted to giving double benefit to our Company at the cost of the consumers of the State of Odisha.
4. Our Company filed a writ petition no. 1641 of 2014 before the Delhi High Court seeking stay of the implementation of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2014 (“**Tariff Regulations, 2014**”). Our Company has specifically challenged Regulation 30(6) of the Tariff Regulations, 2014 pertaining to aspects of ‘Gross Calorific Value’ (“**GCV**”) of coal to be considered on ‘as received’ basis instead of ‘as fired’ basis. Our Company contended that GCV of coal on ‘as received’ is the true representative of GCV for computation of energy charges.
5. BSES Rajdhani Power Limited and BSES Yamuna Power Limited filed writ petitions no. 104 of 2014 and 105 of 2014). The Supreme Court directed the distribution companies to pay current payments with effect from March 1, 2014 for the billing period starting from January 2014 and that there shall be no disconnection of supply of electricity. The hearing of the writ petitions have been concluded on March 10, 2015 and the judgement has been reserved.

Arbitration

Set out below are details of material arbitral proceedings that our Company is involved in:

1. Italian-Thai Development Public Company Limited initiated arbitration proceedings, claiming ₹ 381.71 crore from our Company, alleging incorrect determination of costs and delays in providing infrastructure, resulting in escalation of costs for a contract for construction of the dam, spillway and power intake package for a hydro project. Our Company filed additional submissions and a statement of defense and

Italian-Thai Development Public Company Limited filed a rejoinder. Italian-Thai Development Public Company Limited initiated arbitration proceedings before another tribunal, alleging failure in payment of due rates and reimbursement of royalty charges, claiming ₹ 164.43 crore against our Company. Our Company filed a statement of defense dated September 9, 2012 and Italian-Thai Development Public Company Limited filed a rejoinder on January 25, 2013.

2. Larsen and Toubro Alpine Bau GmbH (JV) initiated arbitration proceedings on April 27, 2011 against our Company for disputes arising out of a contract dated January 19, 2007 for construction of head-race tunnel package in relation to our project at Tapovan Vishnugad claiming an amount of ₹ 251.19 crore from our Company, for, among other things, alleged inadequacy of infrastructural facilities provided for construction purposes, delay in handing over project area and lack of timely instructions. Our Company filed a reply on June 5, 2011 and Larsen and Toubro Alpine Bau GmbH (JV) filed a rejoinder on July 7, 2011.
3. National Buildings Construction Corporation Limited initiated arbitration proceedings (case No. PMA/Dr.GR/52/2012) against our Company claiming, among other things, payment of outstanding bills, interest on non-release of security deposit, release of retention money, recovery of service tax and other amounts, aggregating to a claim ₹ 361.26 crore.
4. Thiess Minecs India Private Limited initiated arbitration proceedings against our Company on June 19, 2014 for disputes arising out of a contract dated July 14, 2011 to develop and operate the Pakri Barwadih Coal Mining Block situated in the State of Jharkhand. Thiess Minecs India Private Limited has claimed an approximate amount of ₹1070.44 Cr from our Company for illegal termination of the agreement by our Company and wrongful encashment of bank guarantees.
5. K J Infrastructure Projects (I) Pvt Ltd has initiated arbitration proceedings against our Company as per the contract for site levelling and infrastructure works package for Solapur STPP dated February 15, 2010. Our Company has appointed T.K Chatterjee as the sole arbitrator which has been objected by the claimant.
6. Gammon India Ltd. issued notice of arbitration against our Company on November 13, 2014 and initiated arbitration proceedings on February 27, 2014 for disputes arising out of the contract dated May 7, 2004 in relation to construction of penstock and power house at Koldam HEPP, seeking Rs 137 Cr as claims on account of prolongation of contract. Gammon India Ltd. filed statement of claim dated March 29, 2014 and our Company filed statement of defence on September 6, 2014.
7. Larsen & Turbo AM JV initiated arbitration proceedings on August 8, 2013 against our Company for failure to issue timely and proper instructions, approvals, construction power, local encumbrances, change in size/location of facility area, custom duty benefit, forced employment of locals, pending payments, aggregating up to Rs 502.82 crore.
8. Larsen and Toubro Alpine Limited entered into contract for the construction of head race tunnel package dated November 28, 2006. Larsen and Toubro Alpine Limited initiated arbitration proceedings on October 23, 2013 against our Company alleging that the work is impossible to carry out on the ground of safety and claimed damages for value of temporary and permanent marks, value of any variations, escalations, contractor's materials and compensation for demobilisation and transfer of equipment amounting to ₹ 866.91 crore. Further, on the failure of the Larsen and Toubro Alpine Limited to fulfil its obligations under the contract within the timeframe, our Company terminated the contract on January 9, 2014. Larsen and Toubro Alpine Limited has also challenged the legality of the termination of the contract.
9. SPML Infra Limited initiated arbitration proceedings against our Company for resolution of various disputes relating to the execution of the Main Plant and Offsite Civil Works package of Bongaigaon Thermal Power Plant claiming Rs 364.67 crore and counter claim amounting to Rs 1571.916 crore. SPML Infra Limited claimed that despite its readiness to complete the works as entrusted within the contractual timeframe it faced inordinate delays caused due to our Company's failure to hand over the site, supply drawings, owner issue material, payment of running account bills, congenial working atmosphere etc. On July 4, 2015, the Claimant has filed an application for interim award of ₹ 27.68 crore.

Taxes and Statutory Dues

Set out below are details of proceedings in relation to taxes and statutory dues (not including assessments and reassessments being undertaken in the ordinary course), which our Company is involved in. The aggregate financial implication for our Company in relation to these cases is not ascertainable as on the date of this Draft Prospectus.

Income Tax

1. The Assistant Commissioner of Income Tax (“**Assistant CIT**”), by assessment order dated March 4, 2003, disallowed deduction of ₹ 2.39 crore and re-classified interest earned on funds borrowed for construction of new plants as income from other sources for Assessment Year (“AY”) 1994-95. Our Company filed appeal 20/2003-04 before Commissioner of Income Tax (Appeals) (“**CIT (A)**”), who, by order dated March 27, 2006, rejected the claim by the assessing officer. The assessing officer filed second appeal 2047/Del/06 dated June 2, 2006 before the Income Tax Appellate Tribunal (“**ITAT**”).
2. The Additional Commissioner of Income Tax (“**Additional CIT**”), by assessment order dated March 4, 2003, demanded ₹ 0.04 crore on our Company for AY 1997-98, re-classifying interest earned on funds borrowed for construction of new plants as income from other sources. Our Company filed appeal 151/2002-03 dated March 27, 2006, before the CIT (A), who, by order dated March 26, 2006, quashed the order of the assessing officer. The assessing officer filed second appeal 2048/D/06 dated June 2, 2006, before ITAT. The Committee on Disputes, GoI, pursuant to a meeting dated December 26, 2007, required matters relating to AYs 1994-95 and 1997-98 to be clubbed as a condition for filing appeal before ITAT.
3. The Additional CIT, by assessment order dated February 27, 2006, assessing taxable income of ₹ 4,959.13 crore as against returned income of ₹ 36.64 crore. Our Company filed appeal 115/2005-06 dated March 26, 2008, before the CIT (A). The CIT (A), by order dated October 3, 2008, accepted our Company’s complaint and directed the assessing officer to re-compute taxable income. The Additional CIT filed a second appeal before ITAT.
4. The Deputy Commissioner of Income Tax (“**Deputy CIT**”), by assessment order dated November 27, 2006, assessed the income to be ₹ 3,736.19 crore as against ₹ 1,130.18 crore, demanded ₹ 775.63 crore, disallowing deductions for the combined cycle gas power, income tax recoverable from state electricity boards, notional expenditure attributable to interest earned on tax-free bonds, expenses incurred on assets not owned by our Company and pre-commissioning sales. Our Company filed appeal dated December 19, 2006 before the CIT (A). CIT(A) passed an order dated March 26, 2015 deciding the appeal partly in our Company’s favour. Our Company filed an appeal before the ITAT with respect to the issues decided against our Company by the CIT(A) order dated March 26, 2015.
5. CIT (V), who, by notice dated October 19, 2007, directed the Deputy CIT to revise the assessment order for AY 2005-06 for additional depreciation on new plant and machinery and provisional sales. The Deputy CIT issued a notice dated March 24, 2009 raising a demand of ₹ 622.18 crore. Our Company filed appeal no. 166/09-10 before the CIT (A) against the Deputy CIT notice dated March 24, 2014. Our Company filed appeal 1438/Del/09 dated April 13, 2009, before ITAT, challenging the power of the CIT (A) to direct re-assessment of income alleging that there was no change in the facts and circumstance of the case considered previously. ITAT partly allowed the appeal, upholding the decision of the CIT (A) to direct the Deputy CIT Tax to re-assess the income for provisional sales. Our Company filed appeal ITA 507 of 2012 in the High Court of Delhi. The High Court of Delhi passed an order dated April 16, 2014 quashing the revision order issued under Section 263 of the Income Tax Act, 1961. The Commissioner of Income Tax filed a special leave petition no. 26644 of 2014 before the Supreme Court against the High Court of Delhi order dated April 16, 2014. .
6. The Additional CIT by assessment order dated November 27, 2007, demanded ₹ 1,206 crore for AY 2006-2007, disallowing deductions for gas units, income tax recoverable from state electricity boards, pre commissioning sales, notional expenditure attributable to interest earned on tax-free bonds, capital expenses on assets not owned by our Company, provisional sales, additional depreciation on new plant and machinery and premium on purchase of securities. Our Company filed appeal 78/07/08 dated December 26, 2007 before CIT (A). CIT(A) passed an order dated March 31, 2014 in the appeal 171/09-10 and has decided the appeal partly in our Company’s favour. Our Company filed an appeal before the ITAT with respect to the issues decided against our Company by the CIT(A) order dated March 31, 2014.

7. The Additional CIT by assessment order dated February 27, 2009 for AY 2007-2008, demanding ₹ 1,983.85 crore. The total amount in dispute involved for the year was ₹ 1,919.03 crore, disallowing deductions for gas units, brought forward losses income tax recoverable from state electricity boards, pre commissioning sales, notional expenditure attributable to interest earned on tax-free bonds, capital expenses on assets not owned by our Company, profit of BTPS unit not received from the government provisional sales, additional depreciation on new plant and machinery and premium on purchase of securities. Our Company filed appeal dated April 2, 2009 before the CIT (A). CIT(A) has passed an order dated July 31, 2015 partly in our Company's favour.
8. The Additional CIT by assessment order dated December 31, 2010 for AY 2008-09 demanded ₹ 2,053.21 crore, disallowing reversal of sales, provisional billing of sales, additional depreciation, disallowance related to gas units/brought forward losses, income tax recoverable from state electricity boards, notional expenditure attributable to interest earned on tax-free bonds. The Assistant CIT passed a rectification order dated January 31, 2011, reducing demand to ₹ 1,837.24 crore. Our Company filed appeal before the CIT (A). CIT(A) passed an order dated April 28, 2014 partly in our Company's favour. Our Company filed an appeal before the ITAT with respect to the issues decided against our Company by the CIT(A) order dated April 28, 2014.
9. The Additional CIT by assessment order dated December 29, 2011 for AY 2009-10 demanded ₹ 1,288.45 crore, disallowing reversal of sales, provisional billing of sales, additional depreciation, disallowance related to gas units/brought forward losses, income tax recoverable from state electricity boards, notional expenditure attributable to interest earned on tax-free bonds. The Assistant CIT, by rectification order dated January 16, 2012, reduced demand to ₹ 1,230.61 crore. Our Company filed appeal 396/11-12 before the CIT (A). CIT(A) passed an order dated June 27, 2014 partly in our Company's favour. Our Company filed an appeal before the ITAT with respect to the issues decided against our Company by the CIT(A) order dated June 27, 2014.
10. The Additional CIT, by assessment order dated February 22, 2013, for AY 2010-11 demanded ₹ 928.16 crore, disallowing deductions related to gas units/brought forward losses and notional expenditure attributable to interest earned on tax-free bonds. The Assistant CIT, by rectification order dated March 18, 2013, reduced demand to ₹ 880.65 crore. Our Company filed appeal dated March 26, 2013 before the CIT (A). The Deputy CIT granted a stay on payment of ₹ 210 crore until disposal of the first appeal or June 30, 2013, whichever is earlier. There has been no further correspondence with tax authorities. CIT(A) passed an order dated September 30, 2014 partly in our Company's favour. Our Company filed an appeal before the ITAT dated December 29, 2014 with respect to the issues decided against our Company by the CIT(A) order dated September 30, 2014.
11. The Income Tax Officer, W-1, Dhenkanal, by order dated September 6, 2007 directing our Company to pay ₹ 0.06 crore for AY 2002-03. Our Company filed appeal 0098/2007-08 before ITAT, which by, order dated June 23, 2008, upheld the order of the Income Tax Officer. Our Company filed appeal dated August 22, 2008 before ITAT, Cuttack, Orissa.
12. The NTPC Employees Union, Uttar Pradesh filed writ petition no. 2348 (S/S) of 2008 in the High Court of Allahabad at Lucknow, seeking a writ against our Company and others to not include accommodation perks for the purpose of calculating income tax for the employees. The High Court by its order dated April 30, 2012 dismissed the appeal. Our Company filed appeal 485 of 2012 on June 27, 2012 to set aside the order dated April 30, 2012 and a miscellaneous application for grant of interim stay.
13. The Assessing Officer disallowed an amount of ₹ 6.40 crore related to expenditure on assets not owned by our Company during reassessment proceedings for AY 2004-05. The CIT(A) passed an order dated August 13, 2014 allowing our Company's appeal. The Income Tax department has filed an appeal before ITAT against the CIT(A)'s order dated August 13, 2014.
14. The Assessing Officer issued an order issued under Section 271 of the Income Tax Act, 1961 for AY 2006-07 on various issues and raised a demand of ₹ 533.45 crores. Our Company has filed an appeal no. 292/15-16 before the CIT(A) against the order of the Assessing Officer.
15. The Assessing Officer carried out reassessment dated March 21, 2014 under Section 143/147 of the Income Tax Act, 1961 for AY 2006-07 and additions were on account of exchange rate variation and

stores written off amounting to ₹ 235.34 crore. Our Company has filed an appeal with CIT(A) against the reassessment order of the Assessing Officer.

16. The Assessing Officer issued an order under section 271 of the Income Tax Act, 1961 for AY 2008-09 on various issues and raised a demand of ₹ 452.01 crore. Our Company has filed appeal no. 293/15-16 with CIT(A) against the order of the Assessing Officer.
17. The Assessing Officer issued an order under Section 271 of the Income Tax Act, 1961 for AY 2009-10 on various issues and raised a demand of ₹ 118.07 crore. Our Company has filed appeal no. 294/15-16 with CIT(A) against the order of the Assessing Officer.
18. The Additional CIT, by assessment order dated February 07, 2014, for AY 2011-12 demanded ₹ 616.94 crore, disallowing deductions related to gas units/brought forward losses and notional expenditure attributable to interest earned on tax-free bonds etc. The Deputy CIT passed an order dated March 3, 2014 granting a stay of ₹ 30.70 crores. Our Company filed appeal no. 260/13-14 dated March 11, 2014 before the CIT(A).
19. The Additional CIT, by assessment order dated February 07, 2014, for AY 2012-13 demanded ₹ 562.48 crore, disallowing deductions related to gas units/brought forward losses and notional expenditure attributable to interest earned on tax-free bonds etc. The Deputy CIT has granted a stay of ₹ 281.24 crore. Our Company filed appeal no. 258/14-15 dated March 21, 2014 before the CIT(A).

Indirect tax and other proceedings

20. The Joint Commissioner (SIB), Commercial Tax, Etawah, by letter dated November 13, 2009, held RIL liable to pay value added tax (“VAT”) on sale of natural gas to fertilizer companies in Uttar Pradesh, which was denied by RIL. The assessing authority issued provisional assessment order dated January 25, 2010 for the period April 2009 to November 2009 against RIL for ₹ 94.86 crore. RIL filed appeal before the Additional Commissioner, Grade II (Appeals), which was dismissed on May 7, 2010. RIL filed a second appeal before the Uttar Pradesh Commercial Taxes Tribunal, Lucknow, which, by order dated May 13, 2010, remanded the case for fresh assessment. The assessing authority, by order dated June 11, 2010, passed separate assessment orders for the months of April 2009 to March 2010 on the value of natural gas sold by RIL to customers in Uttar Pradesh, against which RIL filed WP 6281 (MB) of 2010 in the High Court of Allahabad at Lucknow, which stayed operation of the assessment orders dated June 11, 2010, while directing *status quo*, against which the State of Uttar Pradesh filed SLP (Civil) 24472 of 2011 in the Supreme Court, which, by order dated January 23, 2012, remitting the matter to the High Court. The Division Bench of the High Court, by judgment dated September 7, 2012, quashed the order dated June 11, 2010. The State of Uttar Pradesh filed an SLP (Civil) in 2013 in the Supreme Court.
21. Our Company filed SLP to appeal 6483 of 2012, challenging the dismissal, by order dated August 24, 2011 of the High Court of Madhya Pradesh at Jabalpur, of WP 11702 of 2011 filed by our Company in the High Court of Madhya Pradesh at Jabalpur, against the State of Madhya Pradesh and others, challenging Northern Coalfields Limited’s demand, by letters dated June 22, 2011, June 30, 2011 and July 5, 2011, of ₹ 663.65 crore as tax on coal supplies for the period August 1, 2007 to March 31, 2011 in addition to revised royalty as per notification dated August 1, 2007, which directed that states other than West Bengal that levy cess or other taxes specific to coal bearing land to adjust royalty for local cesses or taxes.
22. Our Company filed WP 7894 of 2012 in the High Court of Delhi against the South Delhi Municipal Corporation by notice Tax/HQ/GRP/2012 D-326/608 dated December 7, 2012 requiring payment of property tax/service charge of ₹ 502.46 crore for the period June 1, 2006 to March 31, 2013 on vacant land. The High Court, by order dated December 18, 2012, directed the South Delhi Municipal Corporation not to take coercive steps against our Company in light of a meeting of between the parties at the office of the Secretary, MoP on January 3, 2013. The MoP, by order dated February 21, 2013, stated that our Company was not liable to pay property tax on the vacant land.
23. The Deputy Commissioner (Assessment), Trade Tax, Sonbhadra demanded ₹ 69,767 for AY 2004-05 in relation to entry tax on coal purchased by us, by order dated January 25, 2007. Our Company filed a first appeal 150 of 2007 before the Joint Commissioner (Appeal) Fifth, Trade Tax, Allahabad, Sonbhadra which was dismissed by order dated May 15, 2007. Our Company filed a second appeal 215 of 2007

before the Trade Tax Tribunal which allowed our appeal and remanded the case to the assessment officer for reassessment by an order dated September 13, 2007. Our Company filed a trade tax revision petition 1699 of 2007 in the High Court of Allahabad, challenging the order dated September 13, 2007 of the Trade Tax Tribunal. The High Court of Allahabad by its orders dated December 12, 2007 and March 3, 2008, held that the proceedings on remand be stayed.

24. The Deputy Commissioner, Trade Tax, Sonebhadra, by order dated March 7, 2009, demanded ₹ 0.12 crore for AY 2005-06 for short payment of entry tax including on purchase of coal and cement. Our Company filed appeal 15/10 before the Additional Commissioner Grade II (Appeals), Trade Tax, Sonebhadra who, by order dated March 30, 2010, rejected our appeal. Our Company filed appeal 83/2010 in the Trade Tax Tribunal, Varanasi, which, by order dated June 19, 2010, allowed the appeal and remanded it to the First Appellate Authority.
25. The Deputy Commissioner, Trade Tax, Sonebhadra, by orders dated September 15, 2010 and March 31, 2010, demanded ₹ 0.62 crore and ₹ 0.78 crore for AYs 2006-07 and 2007-08, respectively for short payment of entry tax including on purchase of coal and cement. Our Company filed appeals 441/10 and 189/10 before the Additional Commissioner, Grade II (Appeal), Trade Tax, Varanasi Zone II, Varanasi at Sonebhadra, and the Additional Commissioner by orders dated May 11, 2011 allowed the appeal and reduced demand by ₹ 0.45 crore and ₹ 0.59 crore. Our Company filed appeals 189/2011 and 188/2011 before the Trade Tax Tribunal, Varanasi, which by its order dated September 13, 2011 remanded the case to the assessment officer for reassessment.
26. The Joint Commissioner (Corporate Circle), Trade Tax, Varanasi Zone II, Sonebhadra, by order dated February 18, 2012, demanded ₹ 0.25 crore, for short payment of entry tax on purchase of diesel, furnace oil, coal and other material for AY 2008-09. Our Company filed appeal 802/12/Section-9(4)/2008-2009 before the Additional Commissioner Grade II (Appeal), Trade Tax, Mirzapur, which, by order dated November 30, 2012, rejected the appeal and confirmed the order dated February 18, 2012. Our Company filed appeal 37/13 2008-09 before the Trade Tax Tribunal, Varanasi, challenging the order dated November 30, 2012. Our Company filed a petition dated February 18, 2013, for stay of demand during the pendency of the second appeal. The Trade Tax Tribunal by order dated March 18, 2013 stayed realization of demand.
27. The Joint Commissioner (Corporate Circle), Trade Tax, Varanasi Zone II, Sonebhadra, by order dated April 26, 2013 demanded ₹ 0.21 crore for AY 2009-10 for short payment of entry tax on purchase of cement, coal and other material. Our Company filed appeal before the Additional Commissioner (Appeals), Varanasi.
28. Our Company filed a writ petition (C) No. 6425 of 2010 in the High Court of Orissa at Cuttack against demand order dated February 10, 2010 of the Deputy Commissioner of Commercial Taxes, Angul Range, Angul whereby VAT and penalty of 0.41 crore, for the period April 1, 2005 to December 31, 2008 was placed on our Company. The High Court by its order dated July 26, 2010 directed our Company to file an appeal before the appellate authority. Our Company filed appeal AA-Angul-11/10-11 before the Additional Commissioner of Commercial Tax (Appeals), Central Zone, Cuttack, seeking a stay. The Additional Commissioner, Central Sales Tax, (Central Zone) passed an order dated August 18, 2014 allowing the appeal and modifying the penalty amount from ₹ 0.40 crore to ₹ 0.29 crore. Our Company filed revision case no. Angul II AST – 155/2014-15 against the order to further reduce the penalty and to stay the realization of the demand.
29. The Assessing Officer, Trade Tax, Sonebhadra, by notice dated September 28, 2007, demanded ₹ 81.97 crore as entry tax on coal imported by our Company from Madhya Pradesh. Our Company filed appeals 135 to 141 of 2007 before the Appellant Tax Tribunal, Varanasi and revision petition TTR 1700 of 2007 dated September 24, 2007 in the High Court of Allahabad, which, by order dated December 12, 2007, stayed demand.
30. Our Company filed a Civil Miscellaneous WP 129 (Tax) of 2008 in the High Court of Allahabad, claiming a writ of certiorari to restrain the forest department from demanding transit fee on the transportation of fly ash generated at Rihand Super Thermal Power unit. The High Court through its order dated January 24, 2008 granted stay and connected the matter with WP 1754 of 2007. The State of Uttar Pradesh filed an application in the High Court for vacation of the stay.

31. Our Company filed a commercial tax revision petition 291 of 2009, in the High Court of Allahabad against the Commissioner, Commercial Taxes, Uttar Pradesh, Lucknow challenging the order dated March 18, 2009 of the Commercial Tax Tribunal, Varanasi affirming penalty and dismissing the appeal against the order dated March 31, 2008 in the first appeal. The said first appeal was filed before the Joint Commissioner (Appeals), Trade Tax challenging penalty of ₹ 0.90 crore imposed by the Deputy Commissioner (Assessment) Trade Tax, Sonebhadra by order dated September 20, 2007 on the purchase of diesel for transportation of coal for the AY 2000-01. The High Court by order dated May 8, 2009 stayed operation of the order dated March 18, 2009 upon deposit of security of 50% of the penalty, by our Company.
32. The Department of Forests, Government of Madhya Pradesh, issued notification F 5/9/10-3/2001 dated May 28, 2001 directing the Northern Coalfields Limited, to deposit ₹ 7 per metric tonne together with 4% interest on the coal supplied to Singrauli Super Thermal Power Plant, Rihand Super Thermal Project and Vindhyachal Super Thermal Power Station, on the coal excavated and transported with immediate effect and they in turn imposed the same amount on our Company by notification dated May 28, 2001 for the period June 2001 to April 2007. Our Company filed a WP 612 of 2003 in the High Court of Madhya Pradesh at Jabalpur, challenging constitutionality of this notification. By order dated May 14, 2007, the High Court held the notification to be unconstitutional. The state of M.P. filed special leave to appeal 8713 of 2008 dated April 7, 2008. The Court, by order dated April 2, 2008, stayed operation of the order of the High Court.
33. Ashtech (India) Private Limited and others filed 4 special leave to appeal petitions (Nos. 37683 of 2012, 13522 of 2013, 13523 of 2013 and 13524 of 2013, respectively) in the Supreme Court against our Company and others, challenging common order dated November 11, 2011, corrected by order dated November 21, 2011 in WP 327 of 2008, of the High Court of Allahabad, upholding increase in transit fee to ₹ 38 per tonne of soil excavated from Rihand reservoir by the Department of Forests, Government of Uttar Pradesh. The Supreme Court, by orders dated April 22, 2013, stayed demand and recovery of transit fee and clubbed SLA 37683 of 2012 with another matter relating to transit fee, while allowing the other three appeals.
34. Our Company filed WP 1754 of 2007 in the High Court of Allahabad challenging notice No.179/Anpara/37 dated November 21, 2007 by the Forest Range Officer, Pipri, Renukoot, Uttar Pradesh, requiring our Company to pay transit fee of ₹ 38 per tonne on transport of fly ash from the state of Uttar Pradesh. The Court, by order dated December 17, 2007, stayed levy of transit fee.
35. Our Company filed a trade tax revision petition 1700 of 2007 in the High Court of Allahabad challenging order dated September 13, 2007 of the Appellate Tax Tribunal, Varanasi disposing of appeals 35 to 141 of 2007 against demand order of the Assessing Officer, Trade Tax, Sonebhadra, levying entry tax of ₹ 17.50 crore, including demand of ₹ 50,870 on coal imported by our Company from Madhya Pradesh. The High Court, by order dated December 12, 2007, stayed levy of entry tax.
36. Our Company filed a commercial tax revision petition 290 of 2009 in the High Court of Allahabad challenging order dated March 18, 2009 of the Member, Commercial Tax Tribunal Bench-4, Varanasi dismissing the appeal against the order dated March 31, 2008 of the Joint Commissioner (Appeals) dismissing the first appeal, which was filed against order dated September 20, 2007 of the Deputy Commissioner (Assessment), Trade Tax directing our Company to pay a penalty of ₹ 0.63 crore for concession in the rate of diesel for transport of coal. The High Court by order dated May 8, 2009, granted a stay on the order dated March 18, 2009 upon deposit of security by our Company.
37. Our Company filed WP 9073 of 2004 and a miscellaneous petition 11685 of 2004 in the High Court of Andhra Pradesh at Hyderabad against the government of Andhra Pradesh and others challenging notice dated April 17, 2004 issued by the Department of Mines and Geology, Karimnagar, Government of Andhra Pradesh for non-payment of seigneurie fee on the minerals consumed at our Ramagundam plant, and demanded ₹ 1.81 crore, including penalty and for a stay on the demand during the pendency of the writ petition, respectively. The High Court by order dated May 11, 2004 stayed demand subject to payment of ₹ 0.50 crore.

38. The Assistant CST (Assessment), Cuttack-II, Range Cuttack, Orissa, passed an order dated January 27, 2004, demanded ₹ 0.03 crore for AY 2000-01 for short payment of tax on sale of scrap to registered dealers. Our Company filed appeal CU-II-AA-DL-26/03-04 dated February 19, 2004, before the Additional Commissioner of Sales Tax, Central Zone Orissa, Cuttack, who, by order dated March 17, 2004, subject to payment of ₹ 50,000, granted stay on balance demand.
39. The Sales Tax Officer, Angul by assessment order dated January 12, 2009 demanded Rs. 0.02 crore for short payment of tax on sale of scrap by our Company. Our Company filed appeal AA/08/DLC/AL/2009-10 and the Joint Commissioner of Commercial Tax, Angul Range, Angul by order dated November 21, 2012 confirmed the order of the Sales Tax Officer and dismissed the appeal. Our Company filed appeal dated February 4, 2013 before the Sales Tax Tribunal, Odisha, Cuttack and a stay application dated February 5, 2013 before the Additional Commissioner of Commercial Tax, Odisha, Cuttack for stay on demand.
40. The Sales Tax Officer, Dhenkanal Circle, Angul, Orissa, by notice dated February 12, 1998, imposed penalty of ₹ 5.02 crore for the period March 9, 1989 to March 18, 1997 for purchase of goods not included in the registration certificate and its wrongful utilization for the generation of electricity for the period 1993 to 1995. Our Company filed a revision petition before the Commissioner of Sales Tax (“**Commissioner ST**”), Cuttack and deposited a sum of ₹ 1.5 crore pending disposal of the petition. The Commissioner ST, by order dated May 16, 1998, reduced penalty to ₹ 4.65 crore. Our Company filed WP 7561 of 1998 in the High Court of Orissa at Cuttack, which, by order dated February 7, 2002, remanded the case to the Sales Tax Officer, who, by order dated January 31, 2005, directed our Company to deposit the balance penalty. Our Company filed a revision petition CU-II-78/04-05 before the Commissioner ST, Orissa.
41. The Sales Tax Officer, Dhenkanal Circle, Angul, Orissa, by assessment order dated February 15, 2006, demanded ₹ 0.01 crore for non-disclosure of declaration form on sale of scrap to dealers registered outside Orissa for assessment period 2004-2005. Our Company filed first appeal AA/24/DLC/2006-07/CT dated August 26, 2006, and a stay petition for staying the realization of the aforesaid amount, before the Assistant CST, Cuttack-II Range, Orissa. The Assistant CST, by order dated November 10, 2006, stayed the demand on certain terms. Our Company filed a revision petition CUII-291/2006-2007 dated December 5, 2006, before the Additional CST, Central Zone, Cuttack for the full stay on realization of the tax demanded. The Additional CST, Cuttack, Orissa by order dated October 17, 2007 granted full stay until disposal of the first appeal. Our Company filed appeal 22093/CT STO/ANG/715/12-13 against the order dated March 31, 2008 of the Assistant CST on November 8, 2012 before the Additional CST.
42. The Sales Tax Officer, Dhenkanal Circle, Angul, Orissa by order dated December 30, 2004 demanded ₹ 3.23 crore for wrong calculation of applicable tax rate on purchase of coal, for AY 2003-2004 disallowing coal as raw material. Our Company filed appeal AA 487/ET/DL/2004-05 and a petition for stay of realisation of amount demanded under the December 30, 2004 order before the Assistant CST, Cuttack II Range, Cuttack who by orders dated February 22, 2005 and September 28, 2005, directed our Company to deposit ₹ 2.35 crore and reduced demand to ₹ 2.74 crore, allowing for entry tax already paid, respectively. Our Company filed appeal ET254/05-06 dated January 25, 2006 before the Sales Tax Appellate Tribunal, Cuttack, Orissa. Our Company filed a stay petition CU-II-AST 128/05-06 before the Commissioner ST for on the balance ₹ 0.38 crore. The Commissioner ST by order dated February 9, 2006 directed our Company to deposit the balance amount. Our Company filed WP 2703 of 2006 in the High Court of Orissa at Cuttack for quashing the order dated February 9, 2006 and for stay on realization of the tax demand. The High Court by order dated March 6, 2006 granted the stay, until the disposal of the second appeal, subject to payment of ₹ 0.15 crore. Our Company paid ₹ 0.15 crore on March 16, 2006.
43. The Sales Tax Officer, Dhenkanal Circle, Angul, Orissa, by an order dated December 30, 1999, imposed penalty of ₹ 1.02 crore for mis-utilization of forms for purchase of certain goods not included in the registration certificate for generation of electricity, for the period April 25, 1996 to March 12, 1999. Our Company filed a revision petition AA 120/DL/99-2000 before the Commissioner, Sales Tax, Orissa, Cuttack requesting a stay against realisation of the penalty amount. The Additional CST directed our Company to pay ₹ 0.35 crore and granted the stay on the balance amount by order dated March 18, 2000. The Commissioner ST, Orissa filed S.A. 76 (C) 2000-01 dated November 11, 2000, before the Sales Tax Tribunal, Cuttack, Orissa. Our Company filed a cross objection dated May 15, 2006.

44. The Sales Tax Officer, Dhenkanal Circle, Angul, Orissa, by assessment order dated February 18, 2006, demanded ₹ 3.92 for wrong calculation of applicable tax rate on purchase of coal, for the period April 1, 2005 to December 31, 2005 disallowing purchase of coal as raw material. Our Company filed appeal AA/353/ET/DL/2005-06 dated March 20, 2006, before the Assistant CST, Cuttack, which, by order dated January 31, 2007, upheld the decision of the Sales Tax Officer. Our Company filed appeal dated May 16, 2007 before the Sales Tax Appellate Tribunal, Cuttack, Orissa.
45. The Assessing Authority, Angul Circle, Angul demanded ₹ 1.35 crore by order dated March 23, 2007 for the period November 1, 2006 to January 31, 2007 for wrong calculation of tax and disallowing concession for purchase of coal as raw material. Our Company filed stay petition AA/42(ET)/DL/2006-07 before the Assistant Commissioner of Commercial Taxes, Cuttack Range II, Cuttack, who, by order dated March 29, 2007, stayed demand during the pendency of the first appeal, subject to payment of ₹ 1 crore. Our Company filed appeal before the Sales Tax Tribunal, Cuttack.
46. The Assistant Commissioner of Sales Taxes, Cuttack-II Range, Orissa, by scrutiny order dated December 26, 2007 directing our Company to pay ₹ 3.99 crore for erroneously availing concessional rate of tax on purchase of coal for the period February 1, 2007 to October 31, 2007. Our Company filed appeal dated January 7, 2009, before the Assistant CST (LTU) Cuttack-II, Orissa, for stay on realization of the tax. Our Company filed a second appeal before the Commissioner ST.
47. The Assistant Commissioner of Sales Tax, Cuttack-II Range, Orissa, by assessment order dated February 17, 2004, directed our Company to pay ₹ 0.35 crore for alleged wrong availment of concessional rate of tax on purchase of diesel in AY 2002-2003. Our Company filed revision petition CU-IIAA-DL-43/03-04 before the Additional CST, Central Zone, Cuttack, Orissa, who, by order dated March 29, 2004, restrained the sales tax authorities from coercive action against our Company.
48. The Sales Tax Officer, Angul Circle, Orissa, by assessment order December 29, 2007 demanded ₹ 2.09 crore for wrongly availing concessional rate of tax on purchase of diesel, lubricants, cement and paints in AY 2003-04. Our Company filed appeal AA/344/DL/07-08 before the Joint Commissioner of Commercial Tax, Angul Range, Orissa for quashing the order date December 29, 2007 and stay on realization of demand. The Joint Commissioner of Commercial Taxes, Angul Range, Angul by order dated June 28, 2011 confirmed the order of the Sales Tax Officer dated December 29, 2007. Our Company has filed a second appeal before the Sales Tax Tribunal and has also filed a petition Angul-II AST 208/2011-12 before the Commissioner of Commercial Taxes, Cuttack for staying the order dated June 28, 2011. The Commissioner by order dated December 3, 2011 directed our Company to deposit ₹ 1.69 crore and granted the stay for the balance amount until disposal of the second appeal. Our Company filed a writ petition and stay application against the order dated December 3, 2011.
49. The Commissioner, Central Excise, Customs and Service Tax, Bhubaneswar-I by order (CCE/BBSR-1/02/2006) dated May 9, 2006, imposed a penalty on our Company of ₹ 0.30 crore alleging intentional suppression of facts and acquiring non-excise duty paid goods liable for confiscation, by notice dated August 29, 2005 issued to our Company and our contractor. Our Company filed appeal no. 450 of 2006, along with stay application in the Central Excise and Sales Tax Appellate Tribunal (“CESTAT”), Eastern Bench, Kolkata. CESTAT, by order dated January 24, 2008, waived penalty during pendency of the appeal. Our Company filed WP 3020 of 2008 in the High Court of Orissa at Cuttack, challenging the order dated January 24, 2008. The High Court, by order dated March 10, 2008, directed CESTAT to hear the matter. CESTAT, by order dated June 20, 2008, reduced penalty to ₹ 0.05 crore. Our Company filed appeal OATPL 15 of 2009 in the High Court of Orissa at Cuttack.
50. The Joint Commissioner Of Commercial Taxes, Angul Range, Angul, by order dated February 10, 2010, raised demand, inclusive of interest and penalty, of Rs. 69.06 crore for non-payment of freight charges at the time of importing coal into the state of Orissa for the period April 1, 2005 to December 31, 2008, and disallowing coal as raw material for availing concessional rates of tax. Our Company filed WP (C) 6423 of 2010 on April 2, 2010 in the High Court of Orissa at Cuttack seeking a writ of certiorari calling documents in relation to the order of the Joint Commissioner and for issuance of writ or direction for quashing the order, and stay of realization of demand. By order dated July 26, 2010 the High Court disposed of the writ directing our Company to file appeal before the appellate authority, seeking exemption of deposit of statutory amount, and directed the appellate authority to deem the amount already deposited by our Company as such deposit. Our Company filed appeal AA-Angul-13/10-11

before the Additional Commissioner of Commercial Tax (Appeals), Central Zone, Cuttack, who, by order dated November 29, 2011, stayed realisation of tax and penalty. The Additional Commissioner of Commercial Tax (Appeals) passed an order dated August 16, 2014 reducing the penalty amount to ₹ 15.53 crore. Our Company filed revision case no. Angul II Ast- 154/2014-15 against the order in Sales Tax Tribunal Cuttack in order to further reduce the penalty and stay the realisation of the tax amount.

51. The Commercial Tax Officer (Audit), Vishakhapatnam issued assessment orders dated September 12, 2011 demanding ₹ 0.42 crore as entry tax for the period July 2007 to March 2011. The Commercial Tax Officer, by his order dated August 28, 2012 imposed a penalty of ₹ 0.10 crore for the aforementioned period. By order dated October 17, 2011 the Commercial Tax Officer revised demand of entry tax to ₹ 0.41 crore. Our Company filed appeal VSP/VAT/229/11-12 dated October 28, 2011 before the Appellate Deputy Commissioner (CT), Vishakhapatnam disputing the non-adjustment of entry tax already paid. The Deputy Commissioner dismissed the appeal on February 22, 2012. Our Company filed appeal dated April 21, 2012 in the Sales Tax Appellate Tribunal, Vishakhapatnam. By order dated January 30, 2013 the Additional Commissioner (CT) and Joint Commissioner (CT) stayed realization of 45% of the demand of the entry tax subject to payment of the balance 55%. Our Company filed an appeal VSP/VAT/076/12-13 dated September 25, 2012 before the Appellate Deputy Commissioner (CT), Vishakhapatnam against the order dated August 27, 2012. The Deputy Commissioner by order dated June 29, 2013 dismissed the appeal. Our Company filed an appeal A.R. No. 162/2013 before the Sales Tax Appellate Tribunal, Vishakhapatnam Bench, Andhra Pradesh, against the order and a revision petition before the Joint Commissioner, Hyderabad for, among other things, stay on collection of the penalty.
52. The Additional Commissioner of Commercial Taxes demanded ₹ 10.52 crore for the year 2008-09 towards short payment of entry tax. Our Company filed a writ petition 10815 of 2013 in the High Court at Patna against the demand, and the High Court by order dated August 22, 2013 listed the matter and required our Company to continue payment of entry tax at the rate of 8% subject to disposal of the writ petition and further observed that in the event our Company succeeds, it may claim refund or adjustment of the excess tax and interest.
53. The Assistant Commissioner, Commercial Taxes, Barh, by notice 441 dated March 19, 2013, demanded ₹ 11.40 crore as entry tax/ VAT for AY 2009-10. Our Company filed a writ petition 11187 of 2013 in the High Court at Patna against the demand, and the High Court at Patna by order dated August 22, 2013 listed the matter and required our Company to continue payment of entry tax at the rate of 8% subject to disposal of the writ petition and further observed that in the event our Company succeeds, it may claim refund or adjustment of the excess tax and interest.
54. The Assistant Commissioner, Commercial Taxes, Barh, by orders dated March 20 and 21, 2013 demanded ₹ 3.20 crore as entry tax and ₹ 14.39 crore as VAT for AY 2006-07. The Assistant Commissioner revised the entry tax and VAT payable to ₹ 25 crore by orders dated March 28, 2013. Our Company filed appeals dated March 29, 2013 before the Commissioner of Commercial Taxes, Patna. Our Company filed a writ petition 12331 of 2013 in the High Court at Patna against the demand, and the High Court by order dated August 22, 2013 listed the matter and required our Company to continue payment of entry tax at the rate of 8% subject to disposal of the writ petition and further observed that in the event our Company succeeds, it may claim refund or adjustment of the excess tax and interest.
55. The Assistant Commissioner, Commercial Taxes, Barh issued assessment order dated March 26, 2012 demanding ₹ 32.93 crore of our Company for short payment of entry tax in AY 2010-11. Our Company filed WP 11021 of 2012 in the High Court of Patna for, among other things, quashing the assessment order dated March 26, 2012.
56. The Assistant Commissioner, Commercial Taxes, Barh, by assessment order dated March 21, 2012 and notice dated March 23, 2012, demanded ₹ 21.30 crore from our Company for alleged short payment of entry tax for the period April 1, 2011 to December 31, 2012. Our Company filed WP 9737 of 2012 in the High Court of Patna.
57. The Assistant Commissioner, Commercial Taxes, Barh, by notice 433 dated March 14, 2013, demanded ₹ 4.89 crore from our Company for alleged short payment of entry tax/ VAT for the fourth quarter of 2011-12.

58. The Assistant Commissioner, Commercial Taxes, Barh, by notice 434 dated March 14, 2013, demanded ₹ 6.82 crore from our Company for alleged short payment of entry tax/ VAT for the first three quarters of 2012-13. Our Company filed a writ petition 11150 of 2013 in the High Court at Patna against the demand, and the High Court by order dated August 22, 2013 listed the matter and required our Company to continue payment of entry tax at the rate of 8% subject to disposal of the writ petition and further observed that in the event our Company succeeds, it may claim refund or adjustment of the excess tax and interest.
59. The Deputy Commissioner Trade Tax, Ambedkar Nagar, by notice dated March 31, 2005, demanded ₹ 0.08 crore as entry tax on purchase of machinery for plant and other items, for AY 2002-03. Our Company filed appeal 1298 of 2007 dated September 30, 2005, before the Joint Commissioner (Appeals), Trade Tax, Gorakhpur, who, by order dated November 19, 2007, directing payment of 40% of demand. The Additional Commissioner (Appeals), Faizabad, by order dated March 31, 2011, rejected the appeal. Our Company filed second appeal dated September 17, 2013 before the Trade Tax Tribunal, Faizabad.
60. The Deputy Commissioner Trade Tax, Ambedkar Nagar, by notice dated July 30, 2007, demanded ₹ 0.08 crore for short payment of entry tax on purchase of machinery. Our Company filed appeal before the Commissioner, Trade Tax, Ambedkar Nagar, who, by order dated September 27, 2007, stayed 50% of demand. Our Company filed appeal dated September 15, 2013.
61. The Deputy Commissioner Trade Tax, Ambedkar Nagar, by notice N/133/2002-2003/order dated March 31, 2005, directed our Company to pay ₹0.04 crore as sales tax on sale of scrap and timber and tax deducted at source from contractors for AY 2002-2003. Our Company filed appeal 1299 of 2007 dated September 30, 2005 before the Joint Commissioner, Faizabad, which, by order dated November 19, 2007, directed payment of 40% of demand. Our Company filed appeal 221 of 2007 before the Trade Tax Tribunal, Faizabad, which, by order dated January 18, 2008, stayed realization. The Additional Commissioner, Trade Tax, Faizabad, by order dated January 31, 2011, rejected appeal 1299 of 2007 and confirmed demand. Our Company filed second appeal dated April 15, 2013 before the Sales Tax Tribunal, Faizabad.
62. The Deputy Commissioner, Trade Tax, by notice N/2003-04/NG dated March 30, 2007, directed our Company to pay ₹ 0.01 crore as sales tax on purchase of equipment, for AY 2003-04. Our Company filed appeal 1031 of 2007 before the Joint Commissioner, Faizabad, who, by order dated September 27, 2007, directed our Company to deposit 50% of demand. Our Company filed appeals 223 and 224 of 2007 dated January 11, 2008 before Trade Tax Tribunal, Faridabad, which, by order dated January 18, 2008, stayed realization of the total amount.
63. The Deputy Commissioner, Trade Tax, Ambedkar Nagar, by notice N-133/2004-05/PR dated March 30, 2007, directed our Company to pay ₹ 0.02 crore as sales tax on sale of scrap. The Deputy Commissioner, by notice dated March 30, 2007, demanded ₹ 85,880 as tax deducted at source from contractors of our Company.
64. The Deputy Commissioner by notice dated September 1, 2007 directed our Company to pay ₹ 0.25 crore in relation to short payment of entry tax. Our Company filed appeals 223, 225 and 227 of 2007 before the Trade Tax Tribunal, Faizabad. Our Company filed appeal 1152 of 2007 before the Additional Commissioner of Trade Tax, Faizabad, which was rejected by order dated January 31, 2011. Our Company filed appeal dated April 16, 2013 before the Trade Tax Tribunal.
65. The Deputy Commissioner Trade Tax, Ambedkar Nagar, by notice 349 dated November 5, 2008, directed our Company to pay ₹ 0.02 crore as penalty for mis-utilization of certain forms in relation to sale of certain material for AY 2004-2005. Our Company filed appeal 422 of 2009 before the Joint Commissioner, Faizabad, who, by order dated August 18, 2009, directed payment of 30% of penalty.
66. The Deputy Commissioner, Trade Tax, Ambedkar Nagar, by notice N-133/2005-06 dated March 31, 2009, directed our Company to pay ₹ 0.30 crore for AY 2005-06 for using old and discarded forms for filing returns. Our Company filed appeal dated April 25, 2009 before the Joint Commissioner (Appeals), Trade Tax, Faizabad. The Joint Commissioner (Appeals), Trade Tax, Faizabad passed an order dated November 30, 2013 partially settling the appeal and raising a fresh demand amounting to ₹ 0.0002 crore.

67. The Deputy Commissioner by two notices dated March 31, 2009 directed our Company to pay ₹ 0.02 crore in relation to sale of scrap.
68. The Joint Commissioner (Corporate Circle), Trade Tax, NOIDA, by order dated February 19, 2009, demanded ₹ 0.25 crore as entry tax on freight charges for AY 2005-06 on materials including coal, diesel and natural gas. Our Company filed appeal 945/10 before the Additional Commissioner Grade – 2, (Appeals) Second, Commercial Tax, Gautam Budh Nagar, who, by order dated December 22, 2010, reduced the tax demand by 0.36 crore. Our Company filed second appeal 319/2011(2005-06) before the Trade Tax Tribunal, NOIDA. The Commissioner, Trade Tax filed cross appeal 903/2012 (2005-06). The Trade Tax Tribunal, by order dated November 22, 2012, rejected both appeals. Our Company filed commercial tax revision petition 80 of 2013 in the High Court of Allahabad, which, by order dated March 7, 2013, stayed realization of demand.
69. The Deputy Commissioner (Corporate Circle), Trade Tax, Greater NOIDA demanded ₹ 0.41 crore as entry tax on purchase of materials such as coal and cement for AY 2006-07. Our Company filed appeal 961/10 before the Additional Commissioner, Trade Tax, Gautam Budh Nagar, who, by order dated December 22, 2010, reduced demand by ₹ 0.39 crore. Our Company filed second appeal 320/2011 (2006-07) before the Commercial Tax Tribunal, NOIDA. The Commissioner, Trade Tax filed cross appeal 904/2012 (2006-07). By order dated November 22, 2012, the Trade Tax Tribunal rejected both appeals. Our Company filed commercial tax revision petition 81 of 2013 in the High Court of Allahabad, which, by order dated March 7, 2013, stayed realization of demand.
70. The Joint Commissioner (Corporate Circle), Trade Tax, NOIDA, by order dated March 28, 2010, demanded ₹ 0.52 crore as entry tax on purchase of coal, cement and other fuel for the period April, 2007 to December, 2007. Our Company filed appeal 925/10 before the Additional Commissioner (Appeals), Trade Tax, Gautam Budh Nagar, who, by order dated December 22, 2010, reduced demand by ₹ 0.28 crore. Our Company filed second appeal 321/2011 (2007-08) before the Commercial Tax Tribunal, NOIDA. The Commissioner, Trade Tax filed cross appeal 905/2012 (2007-08). By order dated November 22, 2012, the Trade Tax Tribunal rejected both appeals. Our Company filed commercial tax revision 82 of 2013 in the High Court of Allahabad, which, by order dated February 1, 2013, stayed realization of demand.
71. The Joint Commissioner (Corporate Circle), Commercial Taxes, Gautam Budh Nagar, by order dated April 25, 2012, demanded ₹ 96,511. Our Company filed appeal 230/2012 2008-09 (Entry Tax) Section 9(4) and application for stay on realization of demand before the Additional Commissioner (Appeal), Commercial Tax, NOIDA Circle, NOIDA, who, by order dated July 25, 2012 stayed 60% of demand until further proceedings. The Additional Commissioner (Appeal) passed an order dated May 18, 2013 dismissing the appeal. Our Company has filed an appeal against this order before the Trade Tax Tribunal.
72. The Joint Commissioner (Corporate Circle), Commercial Taxes, Gautam Budh Nagar, by order dated April 18, 2013, demanded ₹ 0.01 crore for 2009-10 for short payment of entry tax on purchase of materials such as fuel and cement. Our Company filed appeal 365/13 and application for stay on realization of demand, before the Additional Commissioner (Appeal), Commercial Tax, NOIDA Circle, NOIDA, who, by order dated October 29, 2013, stayed 50% of demand until further proceedings.
73. The Commissioner, Customs and Central Excise, by notice dated August 11, 2009, alleged short payment of service tax on business auxiliary services provided by our Company for coal handling charges for the period September 2004 to June 2005 and required our Company to show why ₹ 0.42 crore should not be recovered as service tax and consequent interest and penalty for failure to pay service tax and suppression of value of taxable services should not be imposed. The Commissioner, by order dated March 12, 2010, demanded ₹ 0.42 crore and penalty of ₹ 0.42 crore, with additional penalties of ₹ 100 per day of default and ₹ 1,000. Our Company filed appeal 52(ST)/RPR-I/2010 before the Commissioner Central Excise, Raipur, who by an order dated August 18, 2010 confirmed demand, including interest and penalty of ₹ 1000. Our Company filed a second appeal before CESTAT, Principal Bench, which, by order ST/450/2011 dated July 11, 2011 in stay petition 3496 of 2010, stayed recovery of demand and penalty.

74. Our Company filed writ petition 7624 of 2007 in the High Court of Chhattisgarh at Bilaspur, against the state of Chhattisgarh and others for de-notification of land belonging to the Korba plant as a protected forest, with retrospective with effect from March 13, 1978 by the Department of Forests, Government of Madhya Pradesh. By order dated April 1, 2013 the High Court directed the State Government to consider the application.
75. Our Company filed writ petition no. 6252 of 2001 challenging demand of ₹ 0.08 crore raised by the Deputy Inspector General of Stamps, Warangal by demand notice dated January 22, 2000, pursuant to audit reports dated October 17 and 18 and December 22, 1995, for alleged deficit stamp duty paid on mortgage of title deeds, executed in favour of our Company. Our Company sought a writ of mandamus declaring the demand illegal and arbitrary. The High Court, by order dated August 3, 2012, dismissed the writ petition. Our Company filed a memorandum of writ miscellaneous petition 33226 of 2012 in the High Court seeking the setting aside of its order dated August 3, 2012 and restoration of writ petition 6252 of 2001.
76. The Special Land Acquisition Officer issued letter no. 416/NTPC/L.A dated September 12, 2002 pursuant to letter dated August 1, 2002 of the Revenue Department, Government of Orissa, directing our Company to deposit ₹ 0.96 crore towards stamp duty and registration fees to execute the conveyance deed for land acquired for our Kaniha project. Our Company filed writ petition no. 4570 of 2003 in the High Court of Orissa at Cuttack, for quashing the demand dated September 12, 2002 and by order dated May 16, 2003, the High Court quashed the demand and directed the Board of Revenue, government of Orissa to re-examine the issue. The Collector, Angul, initiated stamp duty case 1 of 2003 before the Chief Controlling Authority Revenue Authority-cum-Member, Board of Revenue to re-examine the issue. Our Company filed writ petition 2944 of 2005 dated March 2, 2005, along with miscellaneous applications 2817 and 2818 of 2005 seeking a declaration that the stamp reference 1 of 03 was not instituted pursuant to the directions of the High Court mentioned in the order dated May 16, 2003 and for quashing the order of the Board of Revenue claiming that relevant documents were sent to our Company.
77. Our Company filed an appeal before the Appellate Deputy Commissioner Sales Tax (“**Appellate DCST**”), Satna against the demand notice dated February 22, 1992 by the Assistant CST, Satna, demanding ₹ 0.43 crore for 1985-86 for short payment of entry tax on plant and machinery, and building material purchased before commencement of production at our power plant at Vindhyachal. The Appellate DCST dismissed our appeal. Our Company filed appeal 39-I/90 dated April 29, 1997, against the order of the Appellate DCST, before the Board of Revenue, Gwalior, which, by order dated March 31, 1999 quashed the order and remanded the case for fresh assessment.
78. Our Company filed an appeal 77/Provincial before the Appellate DCST, Satna against the demand notice dated February 22, 1992, of the Assistant CST, Satna demanding ₹ 0.29 crore for 1985-86 for short payment of sales tax. The Appellate DCST by its order dated December 22, 1992 dismissed our appeal. Our Company filed an appeal 10-4/S/65/93 against the said order, before the Board of Revenue, Gwalior which by its order dated October 31, 1995 dismissed the appeal.
79. Our Company filed an appeal before the Appellate DCST, Satna against the demand notice dated December 1, 1989 of the Assistant CST, Satna demanding ₹ 2.22 crore for 1986-87 for short payment of entry tax on plant and machinery and building material purchased before commencement of production at our power plant at Vindhyachal. The Appellate DCST by its order dated September 28, 1993 dismissed our appeal. Our Company filed appeal 196/94 before the Board of Revenue, Gwalior, which, by order dated March 31, 1999 quashed the order and remanded the case to the Assistant CST for fresh assessment.
80. Our Company filed writ petition 232 of 2004 dated January 11, 2004 in the High Court of Madhya Pradesh at Jabalpur against the order of the Additional Commissioner, Commercial Tax, Jabalpur rejecting the revision petition against a demand of ₹ 1.08 crore for 1990-91 for short payment of entry tax on plant and machinery, steel and cement purchased and issued to contractors under a works contract, and for purchase of coal from within the state.
81. The Assistant Commissioner, Commercial Tax, Satna, by order dated November 28, 2007 demanded ₹ 4.67 crore for 1997-98 for short payment of entry tax on plant and machinery purchased for the construction of stage II of our power plant at Vindhyachal. Our Company filed writ petition 2024 of 2008 in the High Court of Madhya Pradesh at Jabalpur challenging the order of the Assistant Commissioner,

seeking quashing of the order and directions for refund of tax deposited with interest. The High Court stayed the recovery of entry tax.

82. Our Company filed writ petition 4692 of 2003 against the order of the Additional Commissioner, Jabalpur, who by order dated September 30, 2002 rejected a revision petition against levy of sales tax of ₹ 40,104 on sale of iron and steel scrap for 1997-98.
83. Our Company filed a special leave petition 6704 of 2009 before the Supreme Court of India challenging the Madhya Pradesh Entry Tax Act, 1976 in relation to a writ petition 18018 of 2006 in the High Court of Madhya Pradesh at Jabalpur challenging orders dated July 5, 2006 of the Commercial Tax Officer, Waidhan demanding ₹ 1.30 crore for 2003-04 and ₹ 5.23 crore for 2004-05 and against a demand of ₹ 7.05 crore for 2005-06 for short payment of entry tax on plant and machinery, steel and cement procured for construction of stage III of the power plant at Vindhyachal.
84. Our Company filed an appeal before the Deputy Commissioner, Satna against the order of the Assistant Commissioner, Satna demanding ₹ 0.97 crore for short payment of entry tax for 2005-06 on construction activity. Deputy Commissioner, Satna passed an order dated July 12, 2010 rejecting the appeal. Our Company filed an appeal against the order in the Appellate Board, Bhopal.
85. Our Company filed writ petition 1756 of 1996 in the High Court of Madhya Pradesh at Jabalpur in relation to the deletion of an order of the Sales Tax Officer dated March 23, 1995 demanding ₹ 1.44 crore whereby the construction material including cement and bricks from registration under the Madhya Pradesh General Sales Tax Act, 1958 and the Central Sales Tax Act, 1956, retrospectively with effect from March 2, 1988, in relation to our power plant at Vindhyachal.
86. Our Company filed a rectification/revision petition before the Assistant Commissioner, Satna for wrong assessment of sales tax of ₹ 2.50 crore due to error in entries recorded for 2004-05.
87. The Deputy Commissioner, Satna, by orders dated November 19, 2012 demanded ₹ 0.10 crore as entry tax, VAT of ₹ 2,835 and sales tax of ₹ 0.01 crore for AY 2010-11. Our Company filed appeals before the Appellate Deputy Commissioner, Satna, who by order dated April 29, 2013 rejected the appeals. Our Company filed second appeals before the Appellate Board, M.P. Commercial Tax, Bhopal challenging entry tax, sales tax and VAT demanded by order dated November 19, 2012. The Commercial Tax Appeal Board, by order dated August 14, 2013 stayed the recovery of tax.
88. The Deputy Commissioner, Raebareli by a notice dated April 7, 2003, demanded ₹ 0.40 crore as additional entry tax on purchase of plant and machinery and on certain accounting adjustments for financial year 2000-01. Our Company filed an appeal before the Joint Commissioner which was dismissed. Our Company has filed an appeal before the Sales Tax Tribunal, who by order dated June 23, 2006, stayed 67% of the demand. The matter is currently pending.
89. The Deputy Commissioner, Raebareli demanded additional trade tax in relation to purchase of plant and machinery on in relation to financial years 2004-05 and 2005-06.
90. The sub-divisional officer, Singrauli initiated proceedings 369/A/2/09-10 against our Company and by order dated August 5, 2010 demanded ₹ 3.16 crore as land diversion tax for acquisition of land for the power plant at Vindhyachal. Our Company filed appeal 4/Appeal/2011-12 dated November 19, 2011 before the Collector against the order of the sub-divisional officer, and the Collector, by order dated November 19, 2011 dismissed the appeal. Our Company filed appeal 394/Appeal/2011-12 before the Commissioner, Rewa against the order dated November 19, 2011.
91. The sub-divisional officer, Singrauli initiated diversion case 1A-2/07-08 and 42A-2/2000-01 against our Company, demanding ₹ 4.16 crore and ₹ 1.17 crore, respectively, as land diversion tax.
92. Our Company filed a writ petition 8021 of 2008 before the High Court of Madhya Pradesh at Jabalpur against orders dated May 14, 2008 and June 28, 2008 from the Nagar Palika Nigam, Singrauli for demand of building permission fee of approximately ₹ 14.50 crore.
93. Our Company filed a writ petition 967 of 2004 before the High Court of Madhya Pradesh at Jabalpur challenging certain demands made by the Nagar Palika Nigam, Singrauli towards general sanitation cess

and education cess among others. The High Court by its order dated April 15, 2004 disposed the writ petition granting us liberty to file appeal against demands from the Nagar Palika Nigam, Singrauli. Our Company filed 2 miscellaneous civil appeals 10 and 11 of 2004 in the District Court, Sidhi which by its order dated April 16, 2005 reject our appeals. Our Company filed a miscellaneous civil case 1004 of 2005 in the High Court of Madhya Pradesh at Jabalpur, which by its order dated June 28, 2008 remanded the case to the District Court, Sidhi. The High Court has allowed our Company's appeal and the case has been remanded back to the District Court.

94. The commercial tax officer, Bhagalpur, by orders dated February 12, 1998, demanded ₹ 1.89 crore as electricity duty for consumption of electricity and on electricity involved in inter-state sales, including penalty for late payment for years 1991-92, 1992-93, 1993-94 and 1994-95. Our Company filed appeals BH/BD/157-160/97-98 against the orders dated February 12, 1998 before the Joint Commissioner of Commercial Taxes (Appeals), Bhagalpur. Further, our Company filed writ petition 2483 of 1998 in the High Court of Bihar at Patna challenging the state's power to levy tax on electricity sold outside the state and for quashing the order dated February 12, 1998 in respect of the year 1994-95. The Joint Commissioner of Commercial Taxes (Appeals), by order dated February 6, 2002, dismissed the appeals BF/ED/157-160/97-98 and confirmed the penalty. The Commercial Tax Officer, Bhagalpur, by fresh orders dated March 23, 1998 amended the orders dated February 12, 1998, increasing the demand to ₹ 4.49 crore, including penalty. Our Company filed appeals BH/ED/113-115/98-99 before the Joint Commissioner of Commercial Taxes (Appeals), Bhagalpur with respect to the years 1991-92, 1992-93 and 1993-94 and the Joint Commissioner, by order dated February 6, 2002, disposed of the appeals and restored the matter to the Commercial Tax Officer In-charge, Bhagalpur for fresh assessment. Our Company filed revision cases BH/ED/1-4/2002 and BH/ED/05-07/2002 in the Commercial Taxes Tribunal, Patna against the orders dated February 6, 2002. Our Company further amended the writ petition 2483 of 1998 to quash the amended demand for the year 1994-95. The High Court, by order dated December 14, 2010 set aside the original and amended orders of demand and restored the same to the inspecting officer for fresh assessment. The Commercial Tax Tribunal issued notice for appearance dated June 12, 2013 with respect to the revision cases filed for years 1991-92, 1992-93 and 1993-94. Subsequently, fresh assessment has been made as per the orders of the High Court of Madhya Pradesh and the amount for AY 1991-92, 1992-93, and 1993-94 has been reduced to ₹ 3,07,347, ₹ 6,03,821, ₹ 8,84,513 and ₹ 8,70,800, respectively, and the Company deposited the amount. The proceeding is pending before the Commercial Tax Tribunal, Patna.
95. The local authorities at Baran, Rajasthan, by notice dated May 25, 2012 demanded ₹ 0.83 crore as urban development tax for the period up to 2012-13. Our Company filed appeal 74/2012 before the District Collector, Baran, Rajasthan, challenging the amount of urban development tax imposed. The District Collector by order dated July 1, 2013 dismissed the appeal and confirmed the demand of the local authorities. Our Company filed a review application against the order dated July 1, 2013 before the District Collector, Baran. The District Collector, Baran passed an order dated November 24, 2014 deciding the review petition in favour of our Company and stated that the development tax would be paid only on Anta land with direction that the tax shall be assessed as per the Rajasthan Municipalities Act, 2009 on notified area. Thereafter, a demand letter has been issued to our Company for the amount of ₹ 1.62 crore for the AY 2014-15. The Company has filed its return for the same.
96. The Sub-Registrar / Assessing Authority, Tehsildar, Anta District –raised a demand notice November 8, 2006 and November 10, 2006 for recovery of Land Tax. Our Company filed an objection to the demand dated November 25, 2006 on the grounds that it was a government company operating for a public purpose. Further, our Company filed a revision petition before the Rajasthan Tax Board which passed an order dated April 23, 2007 dismissing the petition. Our Company filed writ petition no. 6635/2008 before the High Court of Jaipur. The High Court of Jaipur granted stay order subject to the payment of 50 % for the AY 2006-07 to 2008-09. Subsequently, an application has also been filed against the notice for the period of AY 2009-10 in which the High Court, Jaipur which granted stay without condition. NTPC Anta also received the demand notice for the period 2010-11, 2011-12 and 2012-13. Consequently, the administrative reply has been given against the same and the stay application has also filed against the said demands. The High Court of Jaipur passed an order dated April 15, 2013 quashing all the demand notices. The matter has been remanded to Assessing Authority.
97. Joint Commissioner, Commercial Tax, Uttar Pradesh during the course of the assessment of the 2009-10 stated that ICICI Bank charges for demand draft and demurrage paid for over-retention of railway wagons cannot be included within “notional expenses”. Our Company challenged this demand order vide

appeal no. 365 of 2013 before Additional Commissioner, Grade II (Appeal), Commercial Taxation, Noida. The Appellate Authority passed an order dated October 29, 2012 staying fifty percent of the demand amounting to ₹ 0.01 crore.

98. Joint Commissioner, Commercial Tax, Uttar Pradesh during the course of the assessment of the 2010-11 stated that ICICI Bank charges for demand draft and demurrage paid for over-retention of railway wagons cannot be included within “notional expenses”. Our Company challenged this demand order vide appeal no. 156 of 2014 before Additional Commissioner, Grade II (Appeal), Commercial Taxation, Noida. The Appellate authority passed an order dated October 29, 2012 staying fifty percent of the demand amounting to ₹ 0.03 crore.
99. Joint Commissioner, Commercial Tax, Uttar Pradesh during the course of the assessment of the 2010-11 stated that ICICI Bank charges for demand draft and demurrage paid for over-retention of railway wagons cannot be included within “notional expenses”. Our Company challenged this demand order vide appeal dated March 17, 2015.
100. The Commercial Tax Department, Bhagalpur sought to levy entry tax on cement for the AY 2010-11 amounting to ₹ 0.29 crore. The Commercial Tax Department, Bhagalpur sought to levy entry tax for the AY 2009-10 amounting to Rs 0.17 crore. The Commercial Tax Department, Bhagalpur sought to levy entry tax on spares for the AY 2010-11 amounting to ₹ 0.11 crore.
101. The Joint Commissioner, Commercial Tax, Sonbhadra, for AY 2010-11 raised demand of ₹ 0.46 crore as against the deposit of ₹ 0.24 crore for the balance amount of ₹ 0.21 crore. Our Company filed appeal no. 26/2015 before Commercial Tax Tribunal, Varanasi which passed an order dated April 10, 2015 granting stay on the realisation of the balance amount.
102. The Assessing Officer, Trade Tax, Corporate Circle, for the AY 2011-12 demanded entry tax amounting to ₹ 0.25 crore. Our Company filed appeal no. SON1/0047/15 before Additional Commissioner (Appeal) to stay the realisation of the tax demand and the stay was granted.
103. Deputy Commissioner, Satna passed orders dated January 7, 2015 and May 26, 2014 raising demand for differential entry tax on coal amounting to ₹ 23.42 crore and ₹ 168.29 crore for the AYs 2012-13 and 2007-08, 2008-09, 2009-10, 2010-11 and 2011-12 respectively. Our Company filed Writ Petition No. 2380/2015, 2034/2015, 2552/2015, 3109/2015, 3655/2015 and 3112/ 2015 challenging the demand for entry tax before the High Court of Madhya Pradesh at Jabalpur. The High Court has stayed the realisation of tax demand.
104. Deputy Commissioner, Satna vide order dated February 3, 2014 for the AY 2011-12 for central sales tax amounting to ₹ 0.02 crore. Our Company appealed against this order before the Additional Commissioner, Commercial Tax, Jabalpur which passed an order April 23, 2014 staying the realisation of tax demand.
105. Commercial Tax Department, Bihar raised the demand of electricity duty for the year 2005-06 to 2012-13 based on the assessment order No. 526-32 dated August 6, 2014 and issued demand notices to our Company to deposit ₹ 538.71 crore (Tax ₹ 269.355 crore and Penalty ₹ 269.355 crores). Our Company challenged the demand by writ petition no. 17306/2014, 17353/2014, 17379/2014, 17421/2014, 17428/2014, 17429/2014, 17468/2014, 7019/2015 before the High Court of Patna. Our Company challenged the constitutional validity of Sec 4A of the Bihar Electricity Duty Act, 1948. The High Court of Patna has passed an order dated February 23, 2015 granting unconditional stay.
106. Larsen & Toubro Limited filed writ petition no. 39341 of 2013 in the High Court of Hyderabad challenging the assessment order dated December 5, 2013 and Section 4(7)(a), 4(7)(b) and 4(7)(h), Section 22(3), Section 22(4) read with the relevant rules of the Andhra Pradesh Value Added Tax Act, 2005. Our Company has executed various contracts with Larsen & Toubro Limited and as per the terms of the contract, our Company was entitled to deduct the taxable amounts from the payments under the contract.

Land-related proceedings

Our Company is involved in several land-related proceedings. These cases primarily relate to the erstwhile land owners claiming higher compensation before various authorities/courts for the land acquired by our Company for our various projects. While the aggregate financial implication for our Company is not ascertainable in each such proceeding, however, contingent liability of ₹ 314.30 crore, on consolidated basis, has been estimated as on March 31, 2015.

Inquiry, inspections or investigations initiated or conducted under the Companies Act

Except as stated above, there have been no inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or Companies Act, 1956 in the last five years in the case of our Company and its Subsidiaries. Further, there were no prosecutions filed (whether pending or not); fines imposed or compounding of offences done in the last five years for our Company and its Subsidiaries.

Material Fraud

There have been no acts of material frauds committed against our Company in the last five years.

Legal action pending or taken by a Government Department or a statutory body

Since our Promoter is the Government of India acting through the MoP, the requirement to disclose details of any litigation or legal action pending or taken by a Government department or a statutory body during the last five years against the promoter, is not applicable.

Further, there are no other litigation involving our Company, our Directors, Subsidiaries or any other person, whose outcome could have material adverse effect on the position of our Company.

MATERIAL DEVELOPMENTS

Except as disclosed elsewhere in the Draft Prospectus, no circumstances have occurred which materially and adversely affect or are likely to affect our performance, profitability or prospects, since the date of the last financial information disclosed in the Draft Prospectus.

OTHER REGULATORY AND STATUTORY DISCLOSURES

This is a public issue by our Company of tax-free secured redeemable non-convertible Bonds of face value of ₹ 1,000 each in the nature of debentures having tax benefits under Section 10(15)(iv)(h) of the Income Tax Act, for an amount of ₹ 400 crore with an option to retain oversubscription of up to ₹ 300 crore for issuance of additional bonds aggregating to a total of up to ₹ 700* crore during fiscal 2016.

** In terms of the CBDT Notification, our Company has been authorised to issue tax free secured redeemable non-convertible bonds for an amount of ₹ 1,000 crore during the fiscal 2016 of which at least 70.00% of aggregate amount of bonds is to be raised through public issue . Accordingly, our Company has already issued tax-free secured redeemable non-convertible bonds amounting to ₹ 300 crore being 30.00% of the Allocated Amount by way of private placement and now plans to raise the balance ₹ 700 crore through this issue. Our Company shall ensure that bonds issued pursuant to the CBDT Notification through public issue route and private placement route in fiscal 2016 shall, in aggregate, not exceed ₹ 1,000 crore.*

The Issue has been authorized by resolution of the Board passed during meeting held on July 30, 2015. The shareholders of the Company had by way of a resolution dated September 5, 2014, under Section 180(1)(c) of the Companies Act 2013, approved an increase in the borrowing limit from ₹ 1,00,000 crore to ₹ 1,50,000 crore. The aggregate value of the Bonds offered under this Draft Prospectus, together with the existing borrowings of our Company, is authorised under the provisions of its Articles of Association and within the approved borrowing limits of ₹ 1,50,000 crore.

Eligibility to make the Issue

Our Company and persons in control of our Company have not been restrained, prohibited or debarred by SEBI from accessing the securities market or dealing in securities and no such order or direction is in force.

Further, no regulatory action is pending against the Company before Securities and Exchange Board of India and Reserve Bank of India. Also, since our Promoter is the Government of India acting through the MoP, the requirement to disclose detail of any regulatory action pending against our Promoter before Securities and Exchange Board of India and Reserve Bank of India, is not applicable.

Consents

Consents in writing of our Directors, the Chief Financial Officer, our Executive Director & Company Secretary and Compliance Officer, the Joint Statutory Auditors, the Escrow Collection Bank(s), the Refund Bank(s), the Bankers to our Company, the Lead Managers, the Consortium Members, the Registrar to the Issue, the Credit Rating Agencies, the Bond Trustee and the Legal Advisors to the Issue, in their respective capacities, shall/have been obtained and will be filed along with a copy of the Prospectus with the RoC.

Expert Opinion

Except for (i) the Joint Statutory Auditors' Reports dated September 9, 2015 on the standalone and consolidated reformatted financial information for fiscal 2015, fiscal 2014, fiscal 2013, fiscal 2012 and fiscal 2011, issued by TR Chadha & Co., Sagar & Associates, Kalani & Co., P A & Associates, S K Kapoor & Co., B M Chatrath & Co., and P S D & Associates, the Joint Statutory Auditors of our Company, (ii) the Statement of Tax Benefits dated September 9, 2015, issued by TR Chadha & Co., Sagar & Associates, Kalani & Co., P A & Associates, S K Kapoor & Co., B M Chatrath & Co., and P S D & Associates, the Joint Statutory Auditors of our Company, (iii) the limited review report dated July 30, 2015 on the standalone financial information for the 3 (three) months ended June 30, 2015, prepared by P S D & Associates along with our previous statutory auditors, and the consent for which has been provided by P S D & Associates, and (iv) credit rating from CARE dated September 1, 2015, our Company has not obtained any expert opinions.

Minimum Subscription

In terms of SEBI Circular no. CIR/IMD/DF/ 12 /2014 dated June 17, 2014, the Company is exempted from the requirement of receiving minimum subscription in the proposed Issue.

No Reservation or Discount

Pursuant to the CBDT Notification, at least 70.00% of the bonds issued for raising funds through tax free bonds during fiscal 2016 shall be raised through public issue, of which 40.00% shall be earmarked for Retail Individual Investors. There is no discount being offered in the Issue, to any category of Applicants.

Common Form of Transfer

Relevant provisions of the Companies Act and other applicable laws will be duly complied with in respect of all transfers of the Bonds and registration thereof. The transfer of Bonds in demat form will be done as per the procedure/rules prescribed by the relevant Depositories and DPs of the transferor or transferee and other applicable laws and ruled notified in respect thereof.

Debenture Redemption Reserve

Section 71 of the Companies Act, 2013, read with Rule 18 made under Chapter IV of the Companies Act, 2013, requires that any company that intends to issue debentures must create a DRR for the purpose of redemption of debentures, in accordance with the following conditions: (a) the DRR shall be created out of the profits of our Company available for payment of dividend, (b) the DRR shall be equivalent to at least 25% of the amount raised through public issue of debentures in accordance with the SEBI Debt Regulations in case of NBFCs registered with the RBI and no DRR is required in the case of privately placed debentures. Accordingly our Company is required to create a DRR of 25% of the value of the Bonds issued through the Issue. In addition, as per Rule 18 (7) (e) of the Companies (Share Capital and Debentures) Rules, 2014, the amounts credited to DRR shall not be utilised by our Company except for the redemption of the NCDs. Every company required to create or maintain DRR shall before the 30th day of April of each year, deposit or invest, as the case may be, a sum which shall not be less than 15% of the amount of its debentures maturing during the year ending on the 31st day of March, following any one or more of the following methods: (a) in deposits with any scheduled bank, free from charge or lien; (b) in unencumbered securities of the Central Government or of any State Government; (c) in unencumbered securities mentioned in clauses (a) to (d) and (ee) of Section 20 of the Indian Trusts Act, 1882; (d) in unencumbered bonds issued by any other company which is notified under clause (f) of Section 20 of the Indian Trusts Act, 1882. The amount deposited or invested, as the case may be, shall not be utilised for any purpose other than for the repayment of debentures maturing during the year referred to above, provided that the amount remaining deposited or invested, as the case may be, shall not at any time fall below 15% of the amount of debentures maturing during the 31st day of March of that year. This may have a bearing on the timely redemption of the NCDs by our Company.

Dividend

Our Company has paid dividend for fiscal 2015, 2014, 2013, 2012 and 2011, as under:

Year	Dividend Details	Dividend Amount (in ₹ Crore)	Dividend per Share (₹)	Declaration Date	Pay Date
2010-11	Interim (2010-11)	2,473.64	3.00	31-01-2011	14-02-2011
	Final (2010-11)	659.63	0.80	20-09-2011	26-09-2011
2011-12	Interim (2011-12)	2,885.91	3.50	27-01-2012	09-02-2012
	Final (2011-12)	412.27	0.50	18-09-2012	25-09-2012
2012-13	Interim (2012-13)	3,092.05	3.75	26-02-2013	12-03-2013
	Final (2012-13)	1,649.09	2.00	17-09-2013	27-09-2013
2013-14	Interim (2013-14)	3,298.19	4.00	28-01-2014	10-02-2014
	Final (2013-14)	1,442.96	1.75	27-08-2014	09-09-2014
2014-15	Interim (2014-15)	618.41	0.75	30-01-2015	13-02-2015
	Final (2014-15)	1,442.96	1.75		

Previous Public or Rights Issues by our Company during last 5 years

Our Promoter undertook an offer for sale in February 2013 of 78,32,62,880 Equity Shares pursuant to circular (No. CIR/MRD/DP/18/2012) dated July 18, 2012. Additionally, in June 2014, our Promoter undertook an offer for sale of 34,83,320 Equity Shares to eligible employees of our Company at a 5% discount pursuant to letter (No. F.No. 4(18)/2012-DoD) dated June 26, 2013.

In addition to the above, our Company undertook a public issue of tax-free secured redeemable non-convertible bonds for an amount aggregating up to ₹ 1,750 crore in fiscal 2014.

Utilisation of proceeds from public issues during last 5 years

The Company had made a public issue of tax free bonds of ₹ 1,750 crore in the fiscal 2014, the proceeds of which were utilised as per the objects of the issue stated in the prospectus dated November 25, 2013, i.e., funding of capital expenditure, and refinancing for meeting the direct requirement in ongoing projects, including recoupment of expenditure already incurred.

Since our Promoter is the Government of India acting through the MoP, the requirement to disclose details pertaining to previous issuances by group companies is not applicable to our Company.

Change in Joint Statutory Auditors of our Company during the last 3 years

The Joint Statutory Auditors of our Company are appointed by the CAG on a year-to-year basis.

Name of the Joint Statutory Auditor	Address	Joint Statutory Auditor For Financial Year	Date of Appointment in Case of Change	Remarks
M/s. O.P.Bagla & Co.	Chartered Accountants, 8/12, Kalkaji Extension, New Delhi-110 019	2012-13 2013-14 2014-15	Appointed by CAG vide letters dated July 25, 2012; July 30, 2013 and July 30, 2014	The appointment of auditors is done by the CAG on year to year basis
M/s. K.K.Soni & Co.	Chartered Accountants 130, Sarojini Market, New Delhi-110 023	2012-13 2013-14	Appointed by CAG vide letters dated July 25, 2012 and July 30, 2013.	
M/s. P S D & Associates	Chartered Accountants H-197 Arjun Nagar, S J Enclave New Delhi-110 029	2014-15 2015-16	Appointed by CAG vide letters dated July 30, 2014; June 30, 2015.	
M/s. PKF Sridhar & Santhanam	Chartered Accountants, 105, 1 st Floor, Door no. 6-3-639/640 Golden Edifice, Khairabad Circle Hyderabad – 500 004	2012-13 2013-14 2014-15	Appointed by CAG vide letters dated July 25, 2012; July 30, 2013 and July 30, 2014.	
M/s. V.Sankar Aiyar & Co.	Chartered Accountants, 2-C Court Chambers, 35, New Marine Lines, Mumbai-400 020	2012-13 2013-14 2014-15	Appointed by CAG vide letters dated July 25, 2012; July 30, 2013 and July 30, 2014.	

Name of the Joint Statutory Auditor	Address	Joint Statutory Auditor For Financial Year	Date of Appointment in Case of Change	Remarks
M/s. Ramesh C Agrawal & Co.	Chartered Accountants, S-203 Prayagkunj, 3 Strachey Road, Civil Lines Allahabad-211 001	2012-13 2013-14 2014-15	Appointed by CAG vide letters dated July 25, 2012; July 30, 2013 and July 30, 2014.	
M/s. A.R. & Co.,	Chartered Accountants, C-I, II Floor, RDC RajNagar Ghaziabad-201 001	2012-13 2013-14 2014-15	Appointed by CAG vide letters dated July 25, 2012; July 30, 2013 and July 30, 2014	
M/s. T R Chadha & Co.	Chartered Accountants, B-30, Connaught Place, Kuthiala Building, New Delhi-110 001	2015-16	Appointed by CAG vide letter dated June 30, 2015.	
M/s. Sagar & Associates	Chartered Accountants, H.No. 6-3-244/5, Saradadevi Street, Premnagar, Khairatabad, Hyderabad – 500 004	2015-16	Appointed by CAG vide letter dated June 30, 2015.	
M/s. Kalani & Co.	Chartered Accountants, 703 VII th Floor Milestone Building, Gandhi Nagar, Crossing, Tonk Road, Jaipur 302015	2015-16	Appointed by CAG vide letter dated June 30, 2015.	
M/s. P A & Associates	Chartered Accountants, 20, Govind Vihar, Bamikhal, Bhubaneshwar - 751 010	2015-16	Appointed by CAG vide letter dated June 30, 2015.	
M/s. S K Kapoor & Co.	Chartered Accountants, 16/98, LIC Building, The Mall, Kanpur - 208 001	2015-16	Appointed by CAG vide letter dated June 30, 2015.	
M/s. B M Chatrath & Co.	Chartered Accountants, Centre Point, 4th Floor, Room No. 440, 21, Hemanta Basu Sarani, Kolkata - 700 001	2015-16	Appointed by CAG vide letter dated June 30, 2015.	

For more information on the Joint Statutory Auditors, see “*General Information*” on page 41.

Revaluation of assets

Our Company has not revalued its assets in the last 5 years.

Utilisation of Issue Proceeds

See “*Terms of the Issue - Utilisation of Issue Proceeds*” on page 152.

Track record of past public issues handled by the Lead Managers

Details of the track record of the Lead Managers, as required by SEBI circular (No. CIR/MIRSD/1/2012) dated January 10, 2012, are disclosed on the respective websites of the Lead Managers. The track record of past issues handled by AK Capital, Axis, Edelweiss and SBICAP are available at www.akcapindia.com, www.axiscapital.co.in, www.edelweiss.com and www.sbicaps.com, respectively.

Listing

See “*Terms of the Issue – Listing*” on page 151.

Disclaimer

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF OFFER DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MERCHANT BANKERS, A. K. CAPITAL SERVICES LIMITED, AXIS CAPITAL LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED, AND SBI CAPITAL MARKETS LIMITED, HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF DEBT SECURITIES) REGULATIONS, 2008 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ISSUER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ISSUER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MERCHANT BANKERS, A. K. CAPITAL SERVICES LIMITED, AXIS CAPITAL LIMITED, EDELWEISS FINANCIAL SERVICES LIMITED, AND SBI CAPITAL MARKETS LIMITED, HAVE FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED [•] WHICH READS AS FOLLOWS:

[•]

Disclaimer clause of BSE

[•]

Disclaimer clause of NSE

[•]

Disclaimer clause of CRISIL

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on

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Statement by the Board:

- (i) Allotment letters shall be issued or application money shall be refunded within fifteen days from the closure of the issue or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period.
- (ii) All monies received pursuant to the Issue shall be transferred to a bank account other than the bank account referred to in Section 40 of the Companies Act 2013 and shall not be utilised for any purpose other than;
 - a. for adjustment against allotment of securities where the securities have been permitted to be dealt with in the stock exchange or stock exchanges specified in the prospectus; or
 - b. for the repayment of monies within the time specified by the Securities and Exchange Board, received from applicants in pursuance of the prospectus, where the company is for any other reason unable to allot securities.;
- (iii) Details of all monies utilized out of the Issue shall be disclosed under an appropriate separate head in our Company's financial results, indicating the purpose for which such monies were utilized; and
- (iv) Details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in our Company's financial results, indicating the form in which such unutilized monies have been invested.
- (v) The funds raised by us from our previous bonds issues have been utilized for our business as stated in their respective offer documents

Mechanism for redressal of investor grievances

Karvy Computershare Private Limited has been appointed as the Registrar to the Issue to ensure that investor grievances are handled expeditiously and satisfactorily and to effectively deal with investor complaints.

Communications in connection with Applications made in the Issue should be addressed to the Registrar to the Issue, quoting all relevant details including the full name of the sole/first Applicant, Application Form number, Applicant's Depository Participant ID ("DP ID"), Client ID and PAN, number of Bonds applied for, date of the Application Form, name and address of the Member of the Syndicate or Trading Members of the Stock Exchanges or Designated Branch of the SCSB, as the case may be, where the Application was submitted, and cheque/draft number and issuing bank, or, with respect to ASBA Applications, the ASBA Account number in which an amount equivalent to the Application Amount was blocked. Applicants may contact our Executive Director & Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice, refunds, interest on Application Amounts or refund or credit of Bonds in the respective beneficiary accounts, as the case may be. Grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB.

Penalty

Our Company presently has five functional Directors and two Government nominee directors. The Company must have seven independent Directors on its Board as against only one Independent Director presently in position.

Further, as per the optimum combination of our Company which includes seven functional directors and two government nominee directors, our Company must have nine independent Directors on its Board.

Our Company had received a notice from the NSE through letter (No. FINES/2015-16/32274) dated July 1, 2015 and from the BSE through letter (No. LIST/COMP/49-Woman Dir/77/2015-16) dated July 10, 2015, in pursuance of SEBI Circular (No. CIR/CFD/CMD/1/2015) dated April 8, 2015, imposing a penalty of ₹ 50,000 for non-compliance of Clause 49(II)(A)(1) of the listing agreement regarding non-appointment of woman director on the Board as on April 1, 2015.

Our Company has by its letter (No. 01/SEC/LA) dated July 29, 2015 and (No. 01/SEC/LA) dated July 27, 2015 replied to the BSE and NSE that the power to appoint Directors on the Board vests with the President of India and, accordingly, the Company is not in a position to ensure compliance with Clause 49(II)(A)(1) of the listing agreement.

Reply not their responsibility

Advertisement of Draft Prospectus

Where an advertisement of the Draft Prospectus is published by the Company in any manner, it shall specify therein the contents of its memorandum as regards the objects, the liability of members and the amount of share capital of the company, the names of the signatories to the memorandum and the number of shares subscribed for by them, and its capital structure.

Material Agreements

Except as stated in the section “*History and Certain Corporate Matters*”, there are no material agreements entered into by our Company other than in the ordinary course of business.

SECTION VI – ISSUE INFORMATION

ISSUE STRUCTURE

Pursuant to the CBDT Notification, our Company is authorized to undertake the Issue. Our Company proposes to raise an amount of ₹ 400 crore with an option to retain oversubscription of upto ₹ 300 crore for issuance of additional bonds aggregating to a total of up to ₹ 700 crore by way of public issue during fiscal 2016.

** In terms of the CBDT Notification, our Company has been authorised to issue tax free secured redeemable non-convertible bonds for an amount of ₹ 1,000 crore during the fiscal 2016 of which at least 70.00% of aggregate amount of bonds is to be raised through public issue . Accordingly, our Company has already issued tax-free secured redeemable non-convertible bonds amounting to ₹ 300 crore being 30.00% of the Allocated Amount by way of private placement and now plans to raise the balance ₹ 700 crore through this issue. Our Company shall ensure that bonds issued pursuant to the CBDT Notification through public issue route and private placement route in fiscal 2016 shall, in aggregate, not exceed ₹ 1,000 crore.*

The Issue has been authorized by resolution of the Board passed during meeting held on July 30, 2015.

Particulars of the Bonds

The following are the details of the principal terms and conditions of the Issue. This section should be read in conjunction with, and is qualified in its entirety by, detailed information in “*Terms of the Issue*” on page 141.

COMMON TERMS AND CONDITIONS FOR ALL SERIES OF THE BONDS				
Lead Managers	AK Capital, Axis, Edelweiss and SBICAP			
Issuer	NTPC Limited			
Type of instrument/Issue of Bonds/Issue Size	Public issue by our Company of tax-free secured redeemable non-convertible Bonds of face value of ₹ 1,000 each in the nature of debentures having tax benefits under Section 10(15)(iv)(h) of the Income Tax Act, for an amount of ₹ 400 crore with an option to retain oversubscription of up to ₹ 300 crore for issuance of additional bonds aggregating to a total of up to ₹ 700* crore during fiscal 2016. <i>* In terms of the CBDT Notification, our Company has been authorised to issue tax free secured redeemable non-convertible bonds for an amount of ₹ 1,000 crore during the fiscal 2016 of which at least 70.00% of aggregate amount of bonds is to be raised through public issue . Accordingly, our Company has already issued tax-free secured redeemable non-convertible bonds amounting to ₹ 300 crore being 30.00% of the Allocated Amount by way of private placement and now plans to raise the balance ₹ 700 crore through this issue. Our Company shall ensure that bonds issued pursuant to the CBDT Notification through public issue route and private placement route in fiscal 2016 shall, in aggregate, not exceed ₹ 1,000 crore.</i>			
Face Value (₹) per Bond	₹ 1,000			
Issue Price (₹) per Bond	₹ 1,000			
Minimum Application and in the multiple of thereafter	5 Bonds (₹ 5,000) (individually or collectively, across all Series of Bonds) and in the multiple of One Bond (₹ 1,000) thereafter			
Nature of Bonds	Tax-free secured redeemable and non-convertible			
Nature of Indebtedness and Ranking/Seniority	The claims of the Bondholders shall be superior to the claims of any unsecured creditors of our Company and subject to applicable statutory and/or regulatory requirements, rank <i>pari passu inter se</i> to the claims of other secured creditors of our Company having the same security.			
Mode of Issue	Public issue			
Minimum Subscription	None			
Eligible Investors	Category I/QIBs[#]	Category II/Corporates[#]	Category III/HNIs	Category IV/Retail Individual Investors
	<ul style="list-style-type: none"> • PFIs as defined in Section 2(72) of the Companies Act 2013; • Alternative 	<ul style="list-style-type: none"> • Companies falling within the meaning of Section 2(20) of the Companies 	Investors falling under the following categories applying for an amount aggregating to more	Investors falling under the following categories applying for an amount aggregating up to and

COMMON TERMS AND CONDITIONS FOR ALL SERIES OF THE BONDS				
	<ul style="list-style-type: none"> Investment Funds; Venture Capital Funds registered with SEBI; Scheduled commercial banks; MFs registered with SEBI; State industrial development corporations; Insurance companies registered with the IRDA; Provident funds with a minimum corpus of ₹ 25 crore; Pension funds with a minimum corpus of ₹ 25 crore; The National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of the GoI, published in the Gazette of India; Insurance funds set up and managed by the army, navy, or air force of the Union of India; and Insurance funds set up and managed by the Department of Posts, India, <p>subject to such being authorized to invest in the Bonds.</p>	<ul style="list-style-type: none"> Act 2013; and Limited liability partnerships, statutory corporations, trusts, partnership firms in the name of their respective partners, associations of persons, co-operative banks, regional rural banks, societies registered under the applicable laws in India and other legal entities constituted and/or registered under applicable laws in India, <p>that are authorized to invest in Bonds by their respective constitutional and/or charter documents, subject to compliance with respective applicable laws.</p>	<p>than ₹ 10 lakh across all Series of Bonds in the Issue:</p> <ul style="list-style-type: none"> Resident Individual Investors; NRIs applying on a non-repatriation basis only; and HUF applying in the name of their respective kartas. 	<p>including ₹ 10 lakh across all Series of Bonds in the Issue:</p> <ul style="list-style-type: none"> Resident Individual Investors; NRIs applying on a non-repatriation basis only; and HUF applying in the name of their respective kartas.
	<p># See general circular (No. 6/2015), dated April 9, 2015 issued by the MCA clarifying that in cases where the effective yield (effective rate of return) on tax free bonds is greater than the prevailing yield of one year, three year, five year or ten year government security closest to the tenor of the loan, there is no violation of Section 186(7) of the Companies Act, 2013.</p>			
Pay-in Date	Application Date. Full amount with the Application Form, except ASBA Applications. See “ Issue Procedure – Payment Instructions ” on page 169.			
Listing	The Bonds are proposed to be listed on BSE and NSE, with BSE being the Designated Stock Exchange. For more information, see “ Terms of the Issue – Listing ” on page 151			
Credit Ratings	[ICRA] AAA (Stable) by ICRA and CRISIL AAA by CRISIL [^] . See “ Annexure B – Credit Rating ”.			
Objects of the Issue and Utilisation of Proceeds	See “ Objects of the Issue ” on page 52.			
Security	See “ Terms of the Issue - Security ” on page 141.			
Asset Cover	See “ Terms of the Issue - Security ” on page 141.			
Nature of Indebtedness and Ranking/Seniority	See “ Terms of the Issue – Ranking of the Bonds ” on page 152.			
Put/Call	None			
Mode of Issuance	In dematerialized form only**			
Bond Trustee	IDBI Trusteeship Services Limited			

COMMON TERMS AND CONDITIONS FOR ALL SERIES OF THE BONDS															
Mode of Trading	In dematerialized form only**														
Registrar to the Issue	Karvy Computershare Private Limited														
Modes of Payment/Settlement Mode	See “ <i>Terms of the Issue – Manner and Modes of Payment</i> ” on page 148.														
Market Lot/Trading Lot	One Bond														
Deemed Date of Allotment	The date on which the Board approves the Allotment of Bonds for the Issue or such date as may be determined by the Board and notified to the Designated Stock Exchange. All benefits accruing in relation to the Bonds including interest on Bonds shall be available from Deemed Date of Allotment. Actual Allotment of Bonds may occur on a date later than Deemed Date of Allotment														
Record Date	See “ <i>Terms of the Issue – Record Date</i> ” on page 149.														
Working Day Convention/Day Count	See “ <i>Terms of the Issue – Payment of Interest on the Bonds</i> ” on page 145.														
Transaction Documents	<p>Documents/undertakings/agreements entered, or to be entered, into by our Company with Lead Managers and/or other intermediaries for the purpose of this Issue, including but not limited to the following.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 20%;">Bond Trust Deed</td> <td>Trust Deed has been/will be entered into between the Bond Trustee and our Company within the prescribed timelines</td> </tr> <tr> <td>Bond Trustee Agreement</td> <td>Bond Trustee Agreement dated September 4, 2015, entered into between the Bond Trustee and our Company</td> </tr> <tr> <td>Escrow Agreement</td> <td>Agreement dated [●] entered into by our Company, the Registrar to the Issue, the Lead Managers and the Escrow Collection Bank(s)</td> </tr> <tr> <td>Issue Agreement</td> <td>The agreement dated September 4, 2015, entered into between our Company and the Lead Managers</td> </tr> <tr> <td>Consortium Agreement</td> <td>Consortium Agreement dated [●] entered into between our Company and the Consortium Members</td> </tr> <tr> <td>Registrar Agreement</td> <td>Agreement dated September 4, 2015, entered into between our Company and the Registrar to the Issue</td> </tr> <tr> <td>Tripartite Agreements</td> <td>Tripartite agreement dated September 3, 2004 between our Company, CDSL and the Registrar to the Issue and the tripartite agreement dated July 16, 2004 between our Company, NSDL and the Registrar to the Issue</td> </tr> </table>	Bond Trust Deed	Trust Deed has been/will be entered into between the Bond Trustee and our Company within the prescribed timelines	Bond Trustee Agreement	Bond Trustee Agreement dated September 4, 2015, entered into between the Bond Trustee and our Company	Escrow Agreement	Agreement dated [●] entered into by our Company, the Registrar to the Issue, the Lead Managers and the Escrow Collection Bank(s)	Issue Agreement	The agreement dated September 4, 2015, entered into between our Company and the Lead Managers	Consortium Agreement	Consortium Agreement dated [●] entered into between our Company and the Consortium Members	Registrar Agreement	Agreement dated September 4, 2015, entered into between our Company and the Registrar to the Issue	Tripartite Agreements	Tripartite agreement dated September 3, 2004 between our Company, CDSL and the Registrar to the Issue and the tripartite agreement dated July 16, 2004 between our Company, NSDL and the Registrar to the Issue
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Issue Agreement	The agreement dated September 4, 2015, entered into between our Company and the Lead Managers														
Consortium Agreement	Consortium Agreement dated [●] entered into between our Company and the Consortium Members														
Registrar Agreement	Agreement dated September 4, 2015, entered into between our Company and the Registrar to the Issue														
Tripartite Agreements	Tripartite agreement dated September 3, 2004 between our Company, CDSL and the Registrar to the Issue and the tripartite agreement dated July 16, 2004 between our Company, NSDL and the Registrar to the Issue														
Issue Opening Date	[●]														
Issue Closing Date	[●]. The Issue shall remain open for subscription from 10.00 A.M. to 5.00 P.M. (Indian Standard Time) during the Issue Period with an option for early closure or extension, as may be decided by the Board or an authorised representative of the Board														
Interest on Application Amount	See “ <i>Terms of the Issue-Interest on Application and Refund Money</i> ” on page 146														
Default Interest Rate	To be specified in the Prospectus														
Redemption Premium/Discount	Nil														
Conditions precedent/subsequent to disbursement	Other than the conditions specified in the SEBI Debt Regulations, there are no conditions precedent/subsequent to disbursement. See “ <i>Terms of the Issue - Utilisation of Issue Proceeds</i> ” on page 152														
Event of Default	See “ <i>Terms of the Issue</i> ” on page 141														
Cross Default	Not applicable														
Roles and Responsibilities of Bond Trustee	See “ <i>Terms of the Issue- Bond Trustee</i> ” on page 151														
Discount at which Bond is issued and the effective yield as a result of such discount	None														
Governing Law	Laws of the Republic of India														
Jurisdiction	The courts of New Delhi will have exclusive jurisdiction for the purposes of the Issue.														
Coupon/Interest Payment Dates	See “ <i>Terms of the Issue – Payment of Interest on the Bonds</i> ” on page 145														
Coupon/Interest Reset Process	None														
Frequency of	Annual														

COMMON TERMS AND CONDITIONS FOR ALL SERIES OF THE BONDS	
Coupon/Interest Payment	
Step-up/Step-down Coupon Rate	Nil
Depositories	NSDL and CDSL
Redemption Amount	Amount repayable on the Bonds, comprising the face value of the Bonds, together with coupon/interest accrued at the applicable coupon/interest rate for each Series of Bonds on the respective Redemption Dates or Maturity Dates
Coupon/Interest Type	Fixed coupon rate

**In terms of Regulation 4(2)(d) of the SEBI Debt Regulations and Section 29(1) of the Companies Act 2013, our Company will make the public issue of the Bonds in the dematerialized form.

Participation by any of the above category of Applicants in this Issue will be subject to applicable statutory and/or regulatory requirements. Applicants are advised to ensure that Applications made by them do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable statutory and/or regulatory provisions.

Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for, subscribing to, or seeking Allotment of Bonds pursuant to the Issue.

SPECIFIC TERMS AND CONDITIONS FOR EACH SERIES OF BONDS

Options	Option 1	Option 2	Option 3
Tenure of Bonds	10 years	15 years	20 years
Maturity/Redemption Date [^]	10 years from Deemed Date of Allotment	15 years from Deemed Date of Allotment	20 years from Deemed Date of Allotment
Coupon Rates for Category I, II and III [#]			
Series of Bonds*	Series 1A	Series 2A	Series 3A
Coupon Rate (%) per annum Annualized Yield (%) per annum	To be determined as per the methodology mentioned in CBDT Notification dated July 6, 2015 and as specified in Prospectus		
Coupon Rates for Category IV			
Series of Bonds	Series 1B	Series 2B	Series 3B
Coupon Rate (%) per annum Annualized Yield (%) per annum	To be determined as per the methodology mentioned in CBDT Notification dated July 6, 2015 and as specified in Prospectus		

[#] Pursuant to the CBDT Notification and for avoidance of doubt, it is clarified as under:

- The coupon rates indicated under Series 1B, Series 2B and Series 3B shall be payable only on the Retail Individual Investor Portion in the Issue. Such coupon is payable only if on the Record Date for payment of interest, the Bonds are held by investors falling under the Retail Individual Investor Category/Category IV;
- If the Bonds allotted against Series 1B, Series 2B and Series 3B are transferred by Retail Individual Investors to Non-Retail Individual Investors, being Category I, Category II and Category III investors, the coupon rate on such Bonds shall stand at par with coupon rate applicable on Series 1A, Series 2A and Series 3A respectively;
- If the Bonds allotted against Series 1B, Series 2B and Series 3B are sold/transferred by the Retail Individual Investors to investor(s) who fall under the Retail Individual Investor category as on the Record Date for payment of interest, then the coupon rates on such Bonds shall remain unchanged;
- If on any Record Date, the original Retail Individual Investor Allottee(s)/transferee(s) hold the Bonds under Series 1A, Series 1B, Series 2A, Series 2B, Series 3A and Series 3B for an aggregate face value amount of over ₹ 10 lakh, then the coupon rate applicable to such Retail Individual Investor Allottee(s)/transferee(s) on Bonds under Series 1B, Series 2B, Series 3B shall stand at par with coupon rate applicable on Series 1A, Series 2A, and Series 3A, respectively;
- Bonds Allotted under Series 1A, Series 2A and Series 3A shall carry coupon rates indicated above until the maturity of the respective Series of Bonds irrespective of category of holder(s) of such Bonds; and
- For the purpose of classification and verification of status of the eligibility of a Bondholder under the Retail Individual Investor category, the aggregate face value of Bonds held by the Bondholders in all the Series of Bonds Allotted under the Issue shall aggregated on the basis of PAN.

Minimum Subscription

In terms of SEBI Circular no. CIR/IMD/DF/ 12 /2014 dated June 17, 2014, the Company is exempted from the requirement of receiving minimum subscription in the proposed Issue.

Market Lot and Trading Lot

As per the SEBI Debt Regulations, since trading in the Bonds will be in dematerialized form only, the tradable lot is one Bond. Our Company has made depository arrangements with CDSL and NSDL (“**Depositories**”) for trading of the Bonds in dematerialized form, pursuant to the tripartite agreement dated September 3, 2004 among our Company, CDSL and the Registrar to the Issue and the tripartite agreement dated July 16, 2004 among our Company, NSDL and the Registrar to the Issue.

Listing

See “*Terms of the Issue – Listing*” on page 151.

TERMS OF THE ISSUE

GENERAL TERMS OF THE ISSUE

Authority for the Issue

The CBDT has, pursuant to its notification, authorized our Company to undertake the Issue. Our Company proposes to raise through public issue route and private placement route an amount aggregating up to ₹ 1,000 crore during fiscal 2016.

** In terms of the CBDT Notification, our Company has been authorised to issue tax free secured redeemable non-convertible bonds for an amount of ₹ 1,000 crore during the fiscal 2016 of which at least 70.00% of aggregate amount of bonds is to be raised through public issue. Accordingly, our Company has already issued tax-free secured redeemable non-convertible bonds amounting to ₹ 300 crore being 30.00% of the Allocated Amount by way of private placement and now plans to raise the balance ₹ 700 crore through this issue. Our Company shall ensure that bonds issued pursuant to the CBDT Notification through public issue route and private placement route in fiscal 2016 shall, in aggregate, not exceed ₹1,000 crore.*

The Issue has been authorized by resolution of the Board passed during meeting held on July 30, 2015.

Terms and Conditions of the Issue

The terms and conditions of the Issue of Bonds are subject to the Companies Act, SEBI Debt Regulations, Income Tax Act, the debt listing agreement entered into by our Company with the Stock Exchanges (“**Debt Listing Agreement**”), CBDT Notification, this Draft Prospectus, the Prospectus, the Application Form, the Abridged Prospectus and any terms and conditions as may be incorporated in the Bond Trust Deed entered/to be entered into between our Company and the Bond Trustee, as well as rules, regulations, guidelines, notifications and any statutory modifications or re-enactments including those issued by the GoI, SEBI, the RBI, the Stock Exchanges and/or other authorities and other documents that may be executed in respect of the Bonds.

For more information, see “*Issue Structure*” on page 136.

Face Value

The face value of each Bond is ₹ 1,000.

Security

The Bonds will be secured by a *pari passu* charge on specified moveable and/ or immovable assets of the Company as may be mentioned in the Bond Trust Deed. The Bonds will have asset cover of one time of the total outstanding amount of Bonds and interests. Our Company reserves the right to create further charge on such asset cover for its present and future financial requirements or otherwise, or as provided for under the Bond Trust Deed, provided that minimum asset cover of one time is maintained.

Our Company has obtained no-objection certificates wherever required from the existing debenture trustees/lenders prior to creation of asset cover of one time of the Bonds.

The Bondholders are entitled to the benefit of the Bond Trust Deed and are bound by and are deemed to have notice of all provisions of the Bond Trust Deed.

Credit Rating

ICRA Limited (“**ICRA**”) has, by its letter (No. D/RAT/2015-16/N3/1) dated August 14, 2015, assigned a rating of [ICRA] AAA (stable) to the Bonds, and revalidated such rating by letter (No. D/RAT/2015-16/N3/5) dated September 1, 2015. CRISIL Limited (“**CRISIL**”) has, by its letter (No. NTPCLTD/137722/NCD/081500586) dated August 13, 2015, assigned a rating of CRISIL AAA to the Bonds, and revalidated such rating by letter (No. RG/NTPCL/SN/31714) dated September 1, 2015. Credit Analysis and Research Limited (“**CARE**”) has, by its letter (No. CARE/DRO/RL/2015-16/1606) dated September 1, 2015 assigned a rating of CARE AAA (Triple A) to the Bonds. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations and carry lowest credit risk. These ratings are not a

recommendation to buy, sell or hold securities, and investors should take their own decision. These ratings are subject to revision or withdrawal at any time by the assigning rating agency(ies) and should be evaluated independently of any other ratings. For further details, see “**Annexure B – Credit Rating**”.

Issue Period

Issue Opens On	[●]
Issue Closes On	[●]

The Issue shall remain open for subscription during the period indicated above with an option for early closure or extension, as may be decided by the Board or an authorised representative of the Board. In the event of such early closure or extension of the subscription list of the Issue, our Company shall ensure that public notice of such early closure/extension is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in at least one leading national daily newspaper with wide circulation.

Applications Forms for the Issue will be accepted only between 10.00 A.M. and 5.00 P.M. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges during the Issue Period mentioned above, between Monday and Friday, both inclusive, barring public holidays: (i) by the members of the Syndicate or Trading Members of the Stock Exchange(s), as the case may be, at the centres mentioned in the Application Form through the non-ASBA mode, or (ii) in case of ASBA Applications, (a) directly by Designated Branches of SCSBs or (b) by the centres of the members of the Syndicate or Trading Members of the Stock Exchange(s), as the case may be, only at the specified cities (Mumbai, Chennai, Kolkata, Delhi, Ahmedabad, Rajkot, Jaipur, Bengaluru, Hyderabad, Pune, Vadodara and Surat) (“**Specified Cities**”), except that on the Issue Closing Date, Application Forms will be accepted only between 10.00 A.M. and 3.00 P.M. (Indian Standard Time) and uploaded until 5.00 P.M. (Indian Standard Time) or such extended time as may be permitted by the Stock Exchanges (after taking into account the total number of Applications received up to the closure of timings for acceptance of Application Forms as stated herein). Applicants may also make their Applications through Direct Online Application Mechanism (see “**Issue Procedure**” on page 171 for further information) using the online payment facility offered through the Stock Exchange(s) during the Issue Period, subject to such online payment facility being made available by the Stock Exchange(s) prior to the date of filing of the Prospectus by our Company with RoC.

Due to limitation of time available for uploading Applications on the Issue Closing Date, Applicants are advised to submit their Application Forms one day prior to the Issue Closing Date and, no later than 3.00 P.M. (Indian Standard Time) on the Issue Closing Date. Applicants are cautioned that in the event a large number of Applications are received on the Issue Closing Date, there may be some Applications which are not uploaded due to lack of sufficient time to upload. Such Applications that cannot be uploaded will not be considered for allocation under the Issue.

The Bonds are being issued at par and the full amount of the face value per Bond is payable on Application, except ASBA Application.

Neither our Company nor the members of the Syndicate or Trading Members of the Stock Exchanges shall be liable for any failure in uploading Applications due to failure in any software/hardware system or otherwise.

MINIMUM SUBSCRIPTION

In terms of SEBI Circular no. CIR/IMD/DF/ 12 /2014 dated June 17, 2014, the Company is exempted from the requirement of receiving minimum subscription in the proposed Issue.

ESCROW MECHANISM

See “**Issue Procedure – Payment Instructions**” on page 169.

ALLOTMENT OF BONDS

Deemed Date of Allotment

The Deemed Date of Allotment will be the date on which, the Board approves the Allotment of Bonds for the Issue or such date as may be determined by the Board and notified to the Designated Stock Exchange. All benefits relating to the Bonds including interest on Bonds (as specified in this Draft Prospectus) shall accrue to the Bondholders from Deemed Date of Allotment. Actual Allotment of the Bonds may occur on a date later than Deemed Date of Allotment.

Group of Applications and Allocation Ratio

The Registrar to the Issue will aggregate the Applications based on the Applications received through an electronic book from the Stock Exchanges and determine the valid Applications for the purpose of drawing the basis of allocation. Grouping of the Application received will be then done in the following manner:

For the purposes of the basis of allotment:

- a) Applications received from Category I Applicants: Applications received from Applicants belonging to Category I shall be grouped together (“**QIB Portion**”);
- b) Applications received from Category II Applicants: Applications received from Applicants belonging to Category II, shall be grouped together (“**Corporate Portion**”);
- c) Applications received from Category III Applicants: Applications received from Applicants belonging to Category III shall be grouped together; (“**High Net Worth Individual Portion**”); and
- d) Applications received from Category IV Applicants: Applications received from Applicants belonging to Category IV shall be grouped together. (“**Retail Individual Investor Portion**”).

Pursuant to the CBDT Notification, at least 40.00% of the Issue Size shall be reserved for Retail Individual Investors.

Allocation Ratio

QIB Portion	Corporate Portion	High Net Worth Individual Portion	Retail Individual Investor Portion
[●]% of the Issue Size	[●]% of the Issue Size	[●]% of the Issue Size	40.00% of the Issue Size

Basis of Allotment

- (a) Allotments in the first instance:
 - (i) Applicants under Category I/QIBs, in the first instance, will be Allotted the Bonds up to [●]% of the Issue Size on a first-come-first-serve basis determined on the basis of the date of upload of each Application into the electronic system of the Stock Exchanges;
 - (ii) Applicants under Category II/Corporates, in the first instance, will be Allotted the Bonds up to [●]% of the Issue Size on a first-come-first-serve basis determined on the basis of the date of upload of each Application into the electronic system of the Stock Exchanges;
 - (iii) Applicants belonging to the Category III/High Net Worth Individuals, in the first instance, will be Allotted Bonds up to [●]% of the Issue Size on a first-come-first-serve basis determined on the basis of the date of upload of each Application in to the electronic system of the Stock Exchanges;
 - (iv) Applicants belonging to the Category IV/Retail Individual Investors, in the first instance, will be Allotted Bonds up to 40.00% of the Issue Size on a first-come-first-serve basis determined on the basis of the date of upload of each Application in to the electronic system of the Stock Exchanges.

Allotments, in consultation with the Designated Stock Exchange, shall be made on a first-come-first-serve basis determined on the basis of the date of upload of each Application into the electronic system

of the Stock Exchanges, in each Portion, as described above.

(b) Undersubscription in any Portion:

If there is any undersubscription in any Portion (while other Portions are oversubscribed), priority in Allotments will be given in the following order (in decreasing order of priority):

- (i) Retail Individual Investor Portion;
- (ii) High Net worth Individual Portion;
- (iii) Corporate Portion; followed by
- (iv) QIB Portion.

Within each Portion, priority in Allotments will be given on a first-come-first-serve basis, based on the date of upload of each Application into the electronic system of the Stock Exchanges.

(c) Allotments in case of over-subscription in any Portion:

In case of over-subscription, Allotments to the maximum extent possible, will be made on a first-come-first-serve basis and thereafter on a proportionate basis in each Portion, determined based on the date of upload of each Application into the electronic system of the Stock Exchanges, meaning full Allotment of Bonds to the Applicants on a first-come-first-serve basis up to the date falling one day prior to the date of over-subscription and proportionate Allotment of Bonds to the Applicants on the date of over-subscription.

(d) Proportionate Allotments:

For each Portion, on the date of over-subscription:

- (i) Allotments to the Applicants shall be made in proportion to their respective Application size, rounded off to the nearest integer.
- (ii) If the process of rounding off to the nearest integer results in the actual Allotment of Bonds being higher than the Issue Size, not all Applicants will be allotted the number of Bonds arrived at after such rounding off. Rather, each Applicant whose Allotment size, prior to rounding off, had the highest decimal point would be given preference.
- (iii) In the event, there is more than one Applicant whose entitlement remain equal after the manner of distribution referred to above, our Company will ensure that the basis of Allotment is finalized by draw of lots in a fair and equitable manner.

All decisions pertaining to the basis of Allotment of Bonds pursuant to the Issue shall be taken by our Company in consultation with the Lead Managers, and the Designated Stock Exchange and in compliance with the aforementioned provisions of this Draft Prospectus. Any other queries or issues in connection with the Applications will be appropriately dealt with and decided upon by our Company in consultation with the Lead Managers. For each Portion, all Applications uploaded into the electronic system of the Stock Exchanges on the same day would be treated at par with each other. Allotment in respect of Applications made on the same day would be on proportionate basis, where Bonds applied for exceeds Bonds to be allotted for each Portion respectively.

Additional/Multiple Applications

See “*Issue Procedure – Additional/Multiple Applications*” on page 144.

Form of Allotment and Denomination

The Allotment of Bonds and trading shall be in dematerialized form only. In terms of Regulation 4 (2)(d) of the SEBI Debt Regulations, our Company shall make the public issue of Bonds in dematerialized form. However, the investors can rematerialise the Bonds upon Allotment.

Our Company shall take necessary steps to credit the DP account of the Applicant with the number of Bonds

Allotted in dematerialized form. The Bondholders holding the Bonds in dematerialized form shall deal with the Bonds in accordance with the provisions of the Depositories Act and the Companies Act, as the case may be, and rules and regulations notified thereunder, from time to time.

In case of rematerialization of the Bonds, a Consolidated Certificate may be issued. In respect of Consolidated Certificates, our Company shall, on receipt of request from the Bondholder, split the Consolidated Certificate held by such Bondholder into smaller denominations subject to the minimum of the Market Lot. A fee of ₹ 50/- or such higher fees as may be prescribed by the Companies Act 2013 and the rules thereunder shall be charged for splitting of such Consolidated Certificates, but stamp duty payable, if any, would be borne by the Bondholder. The request for splitting should be accompanied by the original Consolidated Certificate which will, on issuance of the split Bond Certificates, be treated as cancelled by us.

PAYMENT OF REFUNDS

Refunds for Applicants other than ASBA Applicants

Within 12 Working Days of the Issue Closing Date, the Registrar to the Issue will dispatch Refund Orders/issue instructions for electronic refund, as applicable, of all amounts payable to unsuccessful Applicants (other than ASBA Applicants) and also any excess amount paid on Application, after adjusting for allocation/Allotment of Bonds. The Registrar to the Issue will obtain from the Depositories the Applicants' bank account details, including the Magnetic Ink Character Recognition (“MICR”) code, on the basis of the DP ID and Client ID provided by the Applicants in their Application Forms, for making Refunds. For Applicants who receive refunds through ECS, direct credit, Real Time Gross Settlement (“RTGS”) or National Electronic Fund Transfer (“NEFT”), the Refund instructions will be issued to the clearing system within 12 Working Days of the Issue Closing Date. A suitable communication will be dispatched to the Applicants receiving Refunds through these modes. Such communication will be mailed to the addresses (in India) of Applicants, as per the demographic details of an Applicant, such as his/her address, bank account details, occupation and PAN (“**Demographic Details**”) received from the Depositories. The Demographic Details would be used for mailing of the physical refund orders, as applicable.

Applicants are advised to immediately update their bank account details as appearing on the records of their DP. Failure to do so may result in delay in credit of Refund to the Applicants at their sole risk and neither the Lead Managers nor our Company shall have any responsibility or undertake any liability for such delay on part of the Applicants.

Mode of refunds for Applicants other than ASBA Applicants

Payment of refund, if any, for Applicants other than ASBA Applicants would be done through any of the modes specified in “*Terms of the Issue- Manner and Modes of Payment*” on page 148.

Mode of Refunds for ASBA Applicants

In case of ASBA Applicants, the Registrar to the Issue will instruct the SCSBs to unblock funds in the respective ASBA Accounts for withdrawn, rejected or unsuccessful or partially successful ASBA Applications within 12 Working Days of the Issue Closing Date.

PAYMENT OF INTEREST ON THE BONDS

For Bonds Allotted to Applicants falling under Category I, Category II and Category III, the Bonds under Series 1A, Series 2A and Series 3A shall carry interest at the fixed coupon rate of [●]% *per annum*, [●]% *per annum* and [●]% *per annum*, respectively, irrespective of the category of Applicants, payable from and including, Deemed Date of Allotment up to, but excluding, their respective Maturity Dates, payable annually on the Coupon/Interest Payment Date, to the Bondholders as of the relevant Record Date. Depending on the option selected by the Applicant, the effective yield to Category I, II and III Bondholders would be [●]% *per annum*, [●]% *per annum* and [●]% *per annum* for Bonds under Series 1A, Series 2A and Series 3A, respectively.

For Bondholders falling under Category IV, the Bonds under Series 1B, Series 2B and Series 3B shall carry interest at the coupon rate of [●]% *per annum*, [●]% *per annum* and [●]% *per annum*, respectively, payable from and including, Deemed Date of Allotment up to, but excluding, their respective Maturity Dates, payable on the Coupon/Interest Payment Date, to the Bondholders as of the relevant Record Date. Depending on the option

selected by the Applicant, the effective yield to Category IV Bondholders would be [●]% *per annum*, [●]% *per annum* and [●]% *per annum* for Bond Series 1B, Series 2B and Series 3B, respectively.

Pursuant to the CBDT Notification and for avoidance of doubt, it is clarified as under:

- a. *The coupon rates indicated under Series 1B, Series 2B and Series 3B shall be payable only on the Retail Individual Investor Portion in the Issue. Such coupon is payable only if on the Record Date for payment of interest, the Bonds are held by investors falling under the Retail Individual Investor Category/Category IV;*
- b. *If the Bonds allotted against Series 1B, Series 2B and Series 3B are transferred by Retail Individual Investors to Non- Retail Individual Investors, being Category I, Category II and Category III investors, the coupon rate on such Bonds shall stand at par with coupon rate applicable on Series 1A, Series 2A and Series 3A respectively;*
- c. *If the Bonds allotted against Series 1B, Series 2B and Series 3B are sold/transferred by the Retail Individual Investors to investor(s) who fall under the Retail Individual Investor category as on the Record Date for payment of interest, then the coupon rates on such Bonds shall remain unchanged;*
- d. *If on any Record Date, the original Retail Individual Investor Allottee(s)/transferee(s) hold the Bonds under Series 1A, Series 1B, Series 2A, Series 2B, Series 3A and Series 3B for an aggregate face value amount of over ₹ 10 lakh, then the coupon rate applicable to such Retail Individual Investor Allottee(s)/transferee(s) on Bonds under Series 1B, Series 2B, Series 3B shall stand at par with coupon rate applicable on Series 1A, Series 2A, and Series 3A, respectively;*
- e. *Bonds Allotted under Series 1A, Series 2A and Series 3A shall carry coupon rates indicated above until the maturity of the respective Series of Bonds irrespective of category of holder(s) of such Bonds; and*
- f. *For the purpose of classification and verification of status of the eligibility of a Bondholder under the Retail Individual Investor category, the aggregate face value of Bonds held by the Bondholders in all the Series of Bonds Allotted under the Issue shall aggregated on the basis of PAN.*

The first Coupon/Interest Payment Date shall be the date falling one year from Deemed Date of Allotment and, for subsequent fiscals, shall be the same date of such respective fiscal. The last coupon/interest payment in each case will be made on the respective Redemption Dates/Maturity Dates for each Series of Bonds.

Interest on Application and Refund Money

Interest on Application Amounts received, which are used towards Allotment of Bonds

Interest on Application Amounts against which Bonds are Allotted to Applicants will be paid at the rate of [●]% *per annum*, subject to deduction of income tax under the Income Tax Act, from the date of realization of Application Amount through cheque(s)/demand draft(s) up to one day prior to the Deemed Date of Allotment. In the event that the date of realization of the cheque(s)/demand draft(s) is not ascertainable in terms of banking records, we shall pay interest on Application Amounts from three Working Days from the date of upload of each Application on the electronic Application platform of the Stock Exchanges up to one day prior to the Deemed Date of Allotment, at the aforementioned rate. We may enter into an arrangement with one or more banks in one or more cities for direct credit of interest to the account of the Applicants. Alternatively, the interest warrant will be dispatched along with the Allotment Advice at the sole risk of the Applicant, to the sole/first Applicant. A tax deduction certificate will be issued for the amount of income tax deducted on such payments.

However, our Company shall not be liable to pay any interest on Application Amounts in case of (a) ASBA Applications and (b) monies paid in excess of the amount of Bonds applied for in the Application Form.

Interest on Application Amounts received, which are liable to be Refunded

Interest on Application Amounts which are liable to be refunded to Applicants will be paid at the rate of [●]% *per annum*, subject to deduction of income tax under the Income Tax Act, from the date of realization of Application Amount through cheque(s)/demand draft(s) up to one day prior to the Deemed Date of Allotment. In the event that the date of realization of the cheque(s)/demand draft(s) is not ascertainable in terms of banking records, we shall pay interest on Application Amounts from three Working Days from the date of upload of each

Application on the electronic Application platform of the Stock Exchanges up to one day prior to the Deemed Date of Allotment, at the aforementioned rate. Such interest, shall be paid along with the monies liable to be Refunded. Interest warrants will be dispatched/credited (in case of electronic payment) along with the Refund Orders at the sole risk of the Applicant, to the sole/first Applicant. A tax deduction certificate will be issued for the amount of income tax deducted on such payments.

However, our Company shall not be liable to pay any interest on Application Amounts liable to be refunded in case of (a) ASBA Applications; (b) invalid Applications or Applications liable to be rejected; (c) Applications that are withdrawn by the Applicants; and (d) monies paid in excess of the amount of Bonds applied for in the Application Form.

See “*Issue Procedure - Rejection of Application*” on page 171.

REDEMPTION

Our Company will redeem the Bonds on the Maturity Date.

Bonds held in electronic form:

No action is required on the part of Bondholders at the time of maturity of the Bonds.

Bonds held in physical form:

No action will ordinarily be required on the part of the Bondholder at the time of redemption, and the Maturity Amount will be paid to those Bondholders whose names appear in the Register of Bondholders maintained by our Company on the Record Date fixed for the purpose of redemption. However, our Company may require the Bond Certificate(s)/Consolidated Certificates, duly discharged by the sole holder or all the joint-holders (signed on the reverse of the Bond Certificate(s)/Consolidated Bond Certificate(s)) to be surrendered for redemption on the Maturity Date and sent by the Bondholders by registered post with acknowledgment due or by hand delivery to the Registrar to the Issue or our Company or to such persons at such addresses as may be notified by our Company from time to time. Bondholders may be requested to surrender the Bond Certificate(s)/Consolidated Certificate(s) in the manner stated above, not more than 3 (three) months and not less than one month prior to the Maturity Date so as to facilitate timely payment.

CALCULATION OF INTEREST ON THE BONDS

Day Count Convention

Interest will be computed on actual/actual basis on the principal outstanding on the Bonds.

Effect of holidays on payments

If any Coupon/Interest Payment Date falls on a day that is not a Working Day, the payment shall be made on the immediately succeeding Working Day along with interest for such additional period. Further, interest for such additional period so paid, shall be deducted out of the interest payable on the next Coupon/Interest Payment Date. If the Redemption Date/Maturity Date (also being the last Coupon/Interest Payment Date) of any Series of the Bonds falls on a day that is not a Working Day, the redemption proceeds shall be paid on the immediately preceding Working Day along with interest accrued on the Bonds until but excluding the date of such payment.

Set forth below is an illustration for guidance in respect of the day count convention and effect of holidays on payments. **INVESTORS SHOULD NOTE THAT THIS EXAMPLE IS SOLELY FOR ILLUSTRATIVE PURPOSES AND IS NOT SPECIFIC TO THE ISSUE.**

Name of Issuer	XYZ Limited
Face value of the Bonds	₹10,00,000
Series of Bonds	1X
Deemed Date of Allotment	November 13, 2013
Redemption Date/Maturity Date	November 13, 2018
Coupon/Interest Rate	8.95%

Frequency of Coupon/Interest Payment with specified dates	First Coupon/Interest Payment Date on November 13, 2014, and subsequently on November 13 of every year until the Maturity Date/Redemption Date of the Series of Bonds
Day Count Convention	Actual/Actual

Cash Flows	Coupon/Interest Payment Date	No. of days in Coupon Period	Amount per Bond payable (in ₹)
1st Coupon/Interest Payment Date	Thursday, November 13, 2014	365	89,500
2nd Coupon/Interest Payment Date	Friday, November 13, 2015	365	89,500
3rd Coupon/Interest Payment Date	Monday, November 14, 2016*	367	89,745
4th Coupon/Interest Payment Date	Monday, November 13, 2017*	364	89,255
5th Coupon/Interest Payment Date	Tuesday, November 13, 2018	365	89,500
Principal	Tuesday, November 13, 2018	365	10,00,000

* Fiscal 2016, being a leap year, has 366 days as provided in “- Day Count Convention” on page 147. Further, the 3rd Coupon/Interest Payment Date falls on a Sunday. Accordingly, the coupon/interest is paid on the following Working Day and has been calculated for 367 days. Please note that the succeeding Coupon/Interest Payment Date, being the 4th Coupon/Interest Payment Date, is to be paid on November 13 of that year, and accordingly, the interest has been calculated for 364 days.

COUPON/INTEREST PAYMENT SHALL BE ROUNDED TO THE NEAREST RUPEE AS PER THE FIXED INCOME MONEY MARKET AND DERIVATIVES ASSOCIATION HANDBOOK ON MARKET PRACTICES.

Manner and Modes of Payment

For Bonds held in electronic form:

No action is required on the part of Bondholders on the Maturity Date. Payment on the Bonds will be made to those Bondholders whose name appears first in the register of beneficial owners maintained by the Depository, on the Record Date. **Our Company’s liability to Bondholders for payment or otherwise will stand extinguished from the Maturity Date or on dispatch of the amounts payable by way of principal and/or interest to the Bondholders. Further, our Company will not be liable to pay any interest, income or compensation of any kind accruing subsequent to the Maturity Date.**

The Bondholders’ respective bank account details will be obtained from the Depository for payments. **Applicants are therefore advised to immediately update their bank account details as appearing on the records of their DP. Failure to do so could result in delays in credit of payments to applicants at their sole risk, and neither our Company, the members of the Syndicate, Trading Members of the Stock Exchange(s), Escrow Collection Bank(s), SCSBs, Registrar to the Issue nor the Stock Exchanges will bear any responsibility or liability for the same.**

For Bonds held in physical form

The bank details will be obtained from the Registrar to the Issue for effecting payments.

Moreover, our Company, the Lead Managers and Registrar to the Issue will not be responsible for any delay in receipt of credit of interest, refund or Maturity Amount so long as the payment process has been initiated in time.

All payments to be made by our Company to the Bondholders will be made through any of the following modes:

Direct credit – Applicants having bank accounts with the Refund Bank(s), as per the Demographic Details received from the Depositories, will be eligible to receive Refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by our Company.

National Electronic Clearing System (“NECS”) – Payment of Refund shall be done through NECS for Applicants having an account at any of the centres where such facility has been made available. This mode of

payment of Refunds would be subject to availability of complete bank account details including the MICR code from the Depositories.

RTGS – If the refund amount exceeds ₹ 200,000, the Investors have the option to receive refund through RTGS. Charges, if any, levied by the refund bank(s) for the same would be borne by us. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

NEFT – Payment of Refund will be undertaken through NEFT wherever an Applicant's bank has been assigned the IFSC which can be linked to a MICR code, if any, available to that particular bank branch. The IFSC will be obtained from the website of the RBI as on a date immediately prior to the date of payment of Refund, duly mapped with the MICR code. Wherever the Applicants have registered their MICR code and their bank account number while opening and operating the beneficiary account, the same will be duly mapped with the IFSC of that particular bank branch and the payment of Refund will be made to the Applicant through this method. If NEFT is not operationally feasible, the payment of Refunds would be made through any one of the other modes as discussed in the sections.

For all other applicants, including those who have not updated their bank particulars with the MICR code, the Refund Orders will be dispatched through speed/registered post only to Applicants that have provided details of a registered address in India. Such Refunds will be made by cheques, pay orders or demand drafts drawn on the relevant Refund Bank and payable at par at places where Applications are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

Printing of Bank Particulars on Interest Warrants

As a matter of precaution against possible fraudulent encashment of payment orders/warrants due to loss or misplacement, the particulars of the Applicant's bank account are mandatorily required to be given for printing on the orders/warrants. Applications without these details are liable to be rejected. In relation to Bonds applied for and held in dematerialized form, these particulars would be taken directly from the Depositories. In case of Bonds held in physical form on account of rematerialization, Applicants are advised to submit their bank account details with our Company or the Registrar to the Issue at least 7 calendar days prior to the Record Date, failing which the orders/warrants will be dispatched to the postal address (in India) of the Bondholder as available in the register of beneficial owners maintained by the Depository, at the sole risk of the Bondholder. Bank account particulars will be printed on the orders/warrants which can then be deposited only in the account specified.

Record Date

The record date for payment of interest on the Bonds or the Maturity Amount shall be the date falling 15 days prior to the relevant Coupon/Interest Payment Date on which interest amount or the Redemption Dates/Maturity Dates for each Series of Bonds on which the Maturity Amount is due and payable under the terms of the Prospectus. In the event that the Record Date falls on a Sunday or a holiday of Depositories, the succeeding Working Day or a date notified by the Company to the stock exchanges shall be considered as the Record Date.

TRANSFER OF THE BONDS

The provisions relating to transfer and transmission and other related matters in respect of our shares contained in the Companies Act, as the case may be and the Articles of Association will apply, *mutatis mutandis* (to the extent applicable to debentures) to the Bonds.

Transfer of Bonds held in dematerialized form

In respect of Bonds held in the dematerialized form, transfers of the Bonds may be effected, only through the Depositories where such Bonds are held, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time. The Bondholder shall give delivery instructions containing details of the prospective purchaser's DP's account to his DP. If a prospective purchaser does not have a demat account, the Bondholder may rematerialize his or her Bonds and transfer them in a manner as specified below.

Transfer of Bonds in physical form

The Bonds may be transferred by way of a duly executed transfer deed or other suitable instrument of transfer as

may be prescribed by our Company for the registration of transfer of Bonds. Purchasers of Bonds are advised to send the Consolidated Certificate to our Company or to such persons as may be notified by our Company from time to time.

The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date, failing which the interest and/or Maturity Amount for the Bonds will be paid to the person whose name appears in the Register of Bondholders maintained by the Depositories. In such cases, any claims will be settled *inter se* between the parties and no claim or action will be brought against our Company or the Registrar to the Issue.

TAXATION

See “*Statement of Tax Benefits*” on page 55.

Bondholder Not a Shareholder

The Bondholders will not be entitled to any of the rights and privileges available to equity and/or preference shareholders of our Company.

Rights of Bondholders

The rights of the Bondholders will be as per the Bond Trust Deed.

Joint-holders

Where 2 or more persons are holders of any Bond(s), they will be deemed to hold the same as joint holders with benefits of survivorship subject to our Company’s Articles of Association and applicable law.

Nomination

In accordance with Section 72 of the Companies Act 2013, the sole/first Bondholder, with other joint Bondholders (being individuals), may nominate any one person (being an individual) who, in the event of death of the sole Bondholder or all the joint Bondholders, as the case may be, will become entitled to the Bonds. A nominee entitled to the Bonds by reason of the death of the original Bondholder(s) will become entitled to the same benefits to which he would be entitled if he were the original Bondholder. Where the nominee is a minor, the Bondholder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Bonds in the event of the Bondholder’s death during minority. A nomination will stand rescinded on a sale/transfer/alienation of Bonds by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or with the Registrar to the Issue or at such other addresses as may be notified by our Company.

Bondholders are advised to provide the specimen signature of the nominee to our Company to expedite the transmission of the Bond(s) to the nominee in the event of demise of the Bondholders.

In accordance with Section 72 of the Companies Act 2013, any person who becomes a nominee by virtue of Section 72 of the Companies Act 2013, will on the production of such evidence as may be required by the Board, elect either to register himself or herself as holder of Bonds; or to make such transfer of the Bonds, as the deceased holder could have made.

Further, the Board may at any time issue notice requiring any nominee to choose either to be registered himself or to transfer the Bonds, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividend, bonuses or other monies payable in respect of the Bonds, until the requirements of the notice have been complied with.

In case of Bonds applied/held in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with the respective DP of the Applicant/Allottee will prevail. If Applicants/Allottee wants to change their nomination, they are advised to inform their respective DP.

Events of Default

A complete list of events of default and their respective consequences shall be specified in the Bond Trust Deed. The amount(s) so payable by our Company on the occurrence of one or more events of default shall be as detailed in the Bond Trust Deed. If an event of default occurs, which is continuing, the Bond Trustee may, with the consent of the Bondholders, obtained in accordance with the Bond Trust Deed, and with prior written notice to our Company, take action in terms of the Bond Trust Deed.

Bond Trustee

Our Company has appointed IDBI Trusteeship Services Limited to act as Bond Trustee for the Bondholders. IDBI Trusteeship Services Limited has, by its letter dated September 9, 2015, given its consent for its appointment as Bond Trustee to the Issue and for its name to be included in this Draft Prospectus and in all subsequent periodical communications sent to the Bondholders, pursuant to this Issue pursuant to Regulation 4(4) of the SEBI Debt Regulations.

Our Company has entered into/shall enter into Bond Trust Deed within the prescribed timelines, the terms of which will govern the appointment and functioning of the Bond Trustee and specify the powers, authorities and obligations of the Bond Trustee. Under the terms of the Bond Trust Deed, our Company shall covenant with the Bond Trustee that it will pay the Bondholders the principal amount on the Bonds on the relevant Maturity Date and also that it will pay the interest due on Bonds at the rate/on the date(s) specified under the Bond Trust Deed.

The Bondholders shall, without further act or deed, be deemed to have irrevocably given their consent to the Bond Trustee or any of its authorized representatives or agents to do all such acts, deeds, matters and things in respect of or relating to the Bonds as the Bond Trustee may in their absolute discretion deem necessary or require to be done in the interest of the Bondholders. Any payment made by our Company to the Bond Trustee on behalf of the Bondholders will discharge our Company *pro tanto* to the Bondholders. All the rights and remedies of the Bondholders will vest in and will be exercised by the Bond Trustee without reference to the Bondholders. No Bondholder will be entitled to proceed directly against our Company unless the Bond Trustee, having become so bound to proceed, failed to do so. The Bond Trustee will protect the interest of the Bondholders in the event of default by our Company in regard to timely payment of interest and repayment of principal and they will take necessary action at our Company's cost.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act 2013, our Company will, on or before the Issue Opening Date, publish a statutory pre-Issue advertisement in the form prescribed under the SEBI Debt Regulations, in at least one national daily newspaper with wide circulation. Material updates, if any, between the date of filing of the Prospectus with the RoC and the date of release of such advertisement will be included in the statutory pre-Issue advertisement.

Impersonation

Attention of the Applicants is specifically drawn to sub-section (1) of Section 38 of the Companies Act 2013, reproduced below:

“Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

shall be liable for action under Section 447.”

Listing

The Bonds will be listed on the Stock Exchanges. The BSE will be the Designated Stock Exchange. Our

Company has obtained in-principle approval for the Issue from the Stock Exchanges pursuant to letter (No. [●]) dated [●] from the BSE and letter (No. [●]) dated [●] from the NSE.

If permissions to deal in and for an official quotation of the Bonds are not granted by the Stock Exchange, our Company will forthwith repay, without interest, all such moneys received from the Applicants pursuant to the Prospectus(es). If such money is not repaid within the period prescribed under the Companies Act, our Company and every officer in default shall be liable to pay interest to such extent and in such manner as prescribed. Our Company will use best efforts to ensure that all steps for the completion of the necessary formalities for listing at the Stock Exchanges are taken within 12 Working Days of the Issue Closing Date.

Utilisation of Issue Proceeds

For details, see “*Objects of the Issue*” on page 52.

Monitoring and Reporting of Utilisation of Issue Proceeds

In terms of the SEBI Debt Regulations, there is no requirement for appointment of a monitoring agency in relation to the use of proceeds of the Issue. The end use of the proceeds of the Issue will be reported in accordance with our Company’s reporting obligations under the applicable laws.

Further, our Company confirms that funds raised by our Company from previous public issues of bonds have been utilized for our Company’s business as stated in the respective offer documents, and as reported to the Stock Exchanges under applicable law.

For more information, see “*Objects of the Issue*” on page 53.

Other Undertakings by our Company

Our Company undertakes that:

- (a) Complaints received in respect of the Issue will be attended to by our Company expeditiously and satisfactorily;
- (b) Necessary cooperation to the Credit Rating Agency(ies) will be extended in providing true and adequate information until the obligations in respect of the Bonds are outstanding;
- (c) Our Company will take necessary steps for the purpose of getting the Bonds listed within the specified time, i.e., within 12 Working Days of the Issue Closing Date;
- (d) Funds required for dispatch of refund orders/Allotment Advice/Consolidated Certificates/Bond Certificates will be made available by our Company to the Registrar to the Issue;
- (e) Our Company will provide a compliance certificate to the Bond Trustee on an annual basis in respect of compliance with the terms and conditions of the Issue of Bonds as contained in the Prospectus.
- (f) Our Company will disclose the complete name and address of the Bond Trustee in its annual report.

Ranking of the Bonds

The Bonds will have an asset cover of one time the total outstanding amount of Bonds and interest thereon, pursuant to the terms of the Bond Trust Deed. Accordingly, the Bonds would constitute direct and secured obligations of our Company and will rank *pari passu inter se* to the claims of other secured creditors of our Company holding the same security and superior to the claims of any unsecured creditors of our Company, now existing or in the future, subject to any obligations preferred under applicable law.

DRR

Pursuant to Regulation 16 of the SEBI Debt Regulations and Section 71 of the Companies Act 2013, any company that intends to issue debentures is required to create a DRR to which adequate amounts shall be credited out of the profits of the company until the redemption of the debentures. Further, Rule 18(7)(b) of the

Companies (Share Capital and Debentures) Rules, 2014 provides that for companies including manufacturing and infrastructure companies, the adequacy of DRR will be 25% of the value of debentures issued through public issue as per present SEBI (Issue and Listing of Debt Securities), Regulations 2008. Accordingly, we are presently required to create DRR of at least 25.00% of the value of the Bonds and to credit adequate amounts to the DRR from our profits every year until the Bonds are redeemed. The amounts credited to the DRR shall not be utilized by us for any purpose other than redemption of the Bonds. Maintenance of the DRR is subject to, and shall be liable to modification pursuant to applicable law from time to time.

Guarantee/Letter of Comfort

The Issue is not backed by a guarantee or letter of comfort or any other document and/or letter with similar intent.

Replacement of Bond Certificates

In case of Bonds in physical form, if a Bond certificate is mutilated or defaced then on production thereof to our Company, our Company shall cancel such certificate and issue a new or duplicate certificate in lieu thereof, however, they will be replaced only if the certificate numbers and the distinctive numbers are legible. If any Bond certificate is lost, stolen or destroyed, then, on proof thereof to the satisfaction of our Company and on furnishing such indemnity as our Company may deem adequate and on payment of any expenses incurred by our Company in connection with proof of such destruction or theft or in connection with such indemnity our Company shall issue a new or duplicate Bond certificate. A fee may be charged by our Company not exceeding such sum as may be prescribed by applicable law for each new or duplicate Bond certificate issued hereunder except certificates in replacement of those which are old, decrepit or worn out or defaced or where the pages for recording transfers have been fully utilized.

Put/Call

There is no put or call for the Bonds.

Future Borrowings

Our Company will be entitled at any time in the future during the term of the Bonds or thereafter to borrow or raise loans or create encumbrances or avail of financial assistance in any form, and also to issue promissory notes or debentures or any other securities in any form, manner, ranking and denomination whatsoever, subject to applicable consents, approvals or permissions that may be required under any statutory, regulatory, contractual requirement and to any eligible persons whatsoever, subject to applicable consents, approvals or permissions that may be required under any statutory/regulatory/contractual requirement, and to change its capital structure including through the issue of shares of any class, on such terms and conditions as our Company may deem appropriate, without requiring the consent of, or intimation to, the Bondholders or the Bond Trustee in this connection.

Lien

Our Company will have the right of set-off and lien, present as well as future on the moneys due and payable to the Bondholder, to the extent of all outstanding dues, if any by the Bondholder to our Company.

Lien on Pledge of Bonds

Subject to applicable laws, our Company, at its discretion, may note a lien on pledge of Bonds if such pledge of Bond is accepted by any bank or institution for any loan provided to the Bondholder against pledge of such Bonds as part of the funding.

Procedure for Rematerialisation of Bonds

Bondholders who wish to hold the Bonds in physical form may do so by submitting a request to their DP at any time after Allotment in accordance with the applicable procedure stipulated by the DP, in accordance with the Depositories Act and/or rules as notified by the Depositories from time to time.

Sharing of Information

Our Company may, at its option, use its own, as well as exchange, share or part with any financial or other information about the Bondholders available with our Company, its Subsidiary(ies) and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required. **Neither our Company nor its Subsidiaries and affiliates nor its or their respective agents will be liable for use of the aforesaid information.**

Notices

All notices to the Bondholders required to be given by our Company or the Bond Trustee will be published in at least one national daily newspaper with wide circulation and/or will be sent by post/courier to the Bondholders from time to time, only to Applicants that have provided a registered address in India.

Jurisdiction

The Bonds, the Bond Trust Deed and other relevant documents shall be governed by and construed in accordance with the laws of India. The courts of New Delhi will have exclusive jurisdiction for the purposes of the Issue.

ISSUE PROCEDURE

This section applies to all Applicants. Applicants are requested to note that in terms of circular (No. CIR./IMD/DF-1/20/2012) dated July 27, 2012 (“2012 SEBI Circular”), SEBI has mandated issuers to provide, through a recognized stock exchange which offers such a facility, an online interface enabling direct application by investors to a public issue of their debt securities with an online payment facility (“Direct Online Application Mechanism”). In this regard, SEBI has, through the 2012 SEBI Circular, directed recognized stock exchanges in India to establish necessary systems and infrastructure for the implementation of the Direct Online Application Mechanism. In the event that either of the Stock Exchanges establishes such necessary systems, infrastructure and processes so as to enable the adoption of the Direct Online Application Mechanism prior to the Issue Opening Date, we shall offer eligible investors desirous of applying in the Issue the option to make Applications through the Direct Online Application Mechanism.

If such systems, infrastructures or processes are established by either of the Stock Exchanges after the filing of the Draft Prospectus but prior to the Issue Opening Date, the methods and procedure for relating to the Direct Online Application Mechanism shall be widely disseminated by us through a public notice in at least one national daily newspaper with wide circulation.

ASBA Applicants and Applicants making Direct Online Applications using the online payment facility of the Stock Exchanges should note that the ASBA and Direct Online Application processes involve application procedures which may be different from the procedures applicable to Applicants who apply for Bonds through any other permitted channel, and accordingly should carefully read the provisions applicable to ASBA and Direct Online Applications, respectively.

All Applicants are required to make payment of the full Application Amount at the time of submission of the Application Form. ASBA Applicants are required to ensure that their respective ASBA Account has sufficient credit balance such that an amount equivalent to the full Application Amount can be blocked by the SCSBs.

ASBA Applicants may submit their ASBA Applications to the members of the Syndicate or Trading Members of the Stock Exchanges only in the Specified Cities, or directly to the Designated Branches of the SCSBs. Applicants other than ASBA Applicants are required to submit their Applications to the members of the Syndicate or Trading Members of the Stock Exchanges at any of the centres mentioned in the Application Form. For further information, see “-Application For Allotment Of Bonds” on page 160.

This section has been prepared based on the 2012 SEBI Circular issued by SEBI, and is subject to the Stock Exchanges establishing necessary systems and infrastructure for the implementation of the abovementioned circular, including the systems and infrastructure required in relation to Direct Online Applications through the electronic platform and online payment facility to be offered by the Stock Exchanges, and accordingly is subject to any further clarification, notification, modification, direction, instruction and/or correspondence that may be issued by the Stock Exchanges and/or SEBI in this regard.

Specific attention is drawn to the circular (No. CIR./IMD/DF/18/2013) dated October 29, 2013 issued by SEBI, which amends the provisions of the 2012 SEBI Circular to the extent that it provides for allotment in public issues of debt securities to be made on the basis of date of upload of each application into the electronic book of the Stock Exchanges, as opposed to the date and time of upload of each such application.

Applicants are accordingly advised to carefully read the Prospectus, the Application Form and the Abridged Prospectus in relation to any proposed investment in the Bonds. Our Company, the Registrar to the Issue and the Lead Managers shall not be liable for any amendment or modification or changes in applicable laws or regulations, which may occur after the date thereof.

*Trading Members of the Stock Exchanges who wish to collect and upload Applications on the electronic application platform provided by the Stock Exchanges will need to approach the respective Stock Exchanges and follow the requisite procedures prescribed by the relevant Stock Exchange. **The members of the Syndicate, our Company and the Registrar to the Issue shall not be responsible or liable for any errors or omissions on the part of the Trading Members of the Stock Exchanges in connection with the responsibility of such Trading Members of the Stock Exchanges in relation to collection and upload of Applications in the Issue on the electronic platform and online payment facility to be provided by the Stock Exchanges.** Further, the respective Stock Exchanges shall be responsible for addressing investor grievances arising from Applications through Trading Members registered with such Stock Exchanges.*

PROCEDURE FOR APPLICATION

Availability of Prospectus, Abridged Prospectus and Application Forms

Physical copies of the Abridged Prospectus containing salient features of the Issue, together with the Application Forms may be obtained from:

- Registered Office of the Company;
- Offices of the members of the Syndicate;
- Trading Members of the Stock Exchanges; and
- Designated Branches of SCSBs.

Electronic copies of the Draft Prospectus and Prospectus will be available on the websites of our Company, the members of the Consortium, the Stock Exchanges and SEBI.

There is a common Application Form for ASBA Applicants as well as non-ASBA Applicants. However, there is a separate Application Form for NRIs applying on a non-repatriation basis. The prescribed colour of the Application Forms for various categories is as follows:

Category	Colour of Application Form
Resident Applicants under Category I, Category II, Category III and Category IV	[●]
NRIs applying on a non-repatriation basis	[●]

Electronic Application Forms will be available on the websites of the Stock Exchanges and the members of the Consortium. A unique application number will be generated for every Application Form downloaded from the websites of the Stock Exchanges as well as members of the Consortium. In addition, online beneficiary account portals may provide a facility of submitting Application Forms online to their account holders. Trading Members of the Stock Exchanges may also download electronic Application Forms from the websites of the Stock Exchanges.

On a request being made by any Applicant before the Issue Closing Date, physical copies of the Application Form and Prospectus may be obtained from the Registered Office and the offices of the members of the Consortium. Further, Application Forms will be provided to Trading Members of the Stock Exchanges at their request.

Who Can Apply

Category I/QIBs*	Category II/Corporates*	Category III/HNIs	Category IV/Retail Individual Investors
<ul style="list-style-type: none"> PFI as defined in Section 2(72) of the Companies Act 2013; Alternative Investment Funds; Scheduled commercial banks; MFs registered with SEBI; State industrial development corporations; Insurance companies registered with the IRDA; Provident funds with a minimum corpus of ₹ 25 crore; Pension funds with a minimum corpus of ₹ 25 crore; The National Investment Fund set up by resolution F. No. 2/3/2005-DD-II 	<ul style="list-style-type: none"> Companies falling within the meaning of Section 2(20) of the Companies Act 2013; and Limited liability partnerships, statutory corporations, trusts, partnership firms in the name of their respective partners, associations of persons, co-operative banks, regional rural banks, societies registered under the applicable laws in India and other legal entities constituted and/or registered under applicable laws in India, <p>that are authorized to invest in Bonds by their respective</p>	<p>Investors falling under the following categories applying for an amount aggregating to more than ₹ 10 lakh across all Series of Bonds in the Issue:</p> <ul style="list-style-type: none"> Resident Individual Investors; NRIs applying on a non-repatriation basis only; and HUFs applying in the name of their respective kartas. 	<p>Investors falling under the following categories applying for an amount aggregating up to and including ₹ 10 lakh across all Series of Bonds in the Issue:</p> <ul style="list-style-type: none"> Resident Individual Investors; NRIs applying on a non-repatriation basis only; and HUFs applying in the name of their respective kartas.

Category I/QIBs*	Category II/Corporates*	Category III/HNIs	Category IV/Retail Individual Investors
<p>dated November 23, 2005 of the GoI, published in the Gazette of India;</p> <ul style="list-style-type: none"> Insurance funds set up and managed by the army, navy, or air force of the Union of India; and Insurance funds set up and managed by the Department of Posts, India, <p>subject to such being authorized to invest in the Bonds.</p>	<p>constitutional and/or charter documents, subject to compliance with respective applicable laws.</p>		

* See general circular (No. 6/2015) dated April 9, 2015 issued by the MCA clarifying that in cases where the effective yield (effective rate of return) on tax free bonds is greater than the prevailing yield of one year, three year, five year or ten year government security closest to the tenor of the loan, there is no violation of Section 186(7) of the Companies Act, 2013.

Participation of any of the aforementioned persons or entities is subject to the applicable statutory and/or regulatory requirements in connection with the subscription to Indian securities of the nature of the Bonds by such persons or entities. Applicants are advised to ensure that Applications made by them do not exceed the investment limits that they are subject to under applicable statutory and/or regulatory provisions. Applicants are advised to ensure that they have obtained the necessary statutory and/or regulatory permissions/consents/approvals in connection with applying for or subscribing to the Bonds pursuant to the Issue.

Applications by NRIs Applying on a Non-repatriation Basis

We propose to issue Bonds to NRIs on a non-repatriation basis. Applicants that are NRIs should note that only such Applications as are accompanied by payment in Rupees shall be considered for Allotment. An NRI can Apply for Bonds, subject to the conditions and restrictions stipulated under the Foreign Exchange Management (Borrowing or Lending in Rupees) Regulations, 2000, and other applicable statutory and/or regulatory requirements including the CBDT Notification. Allotment of Bonds to NRIs applying on a non-repatriation basis shall be subject to the following terms and conditions:

- (i) Application Amounts shall be paid either through remittance from outside India through normal banking channels, or by transfer of funds held in the investor's Non-resident External (“NRE”)/Non-resident Ordinary (“NRO”)/Foreign Currency Non-resident (“FCNR”) account maintained with an authorized dealer in India; and
- (ii) No payments on the Bonds shall be repatriable outside India; and the maturity proceeds and interest on the Bonds shall be credited only to such specified bank account.

The Issuer does not make any representations and does not guarantee eligibility of any NRIs for investment in the Issue. All NRI Applicants are required to verify their eligibility and ensure compliance with all relevant and applicable law, including notifications by the RBI and SEBI pertaining to their eligibility to invest in the Bonds at the stage of investment in this Issue, at the time of remittance of their Application Amounts as well as at the time of disposal of the Bonds. The Issuer will not check or confirm eligibility of such investments in the Issue.

The Lead Managers and their respective associates and affiliates are permitted to subscribe in the Issue.

Persons not eligible to apply

The following persons and entities will not be eligible to participate in the Issue and any Applications from such persons and entities are liable to be rejected:

- Minors not applying through their guardians. It is clarified that a guardian may apply on behalf of a minor, provided that such Applications indicate the names of both the minor, as well as the guardian. It is further

clarified that it is the responsibility of the Applicant to ensure that the guardians are competent to contract under applicable statutory/regulatory requirements;

- Persons Resident Outside India and foreign nationals (including FIIs, Qualified Foreign Investors and NRIs applying on repatriation basis, but excluding NRIs applying on a non-repatriation basis only);
- Venture Capital Funds, as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 and Foreign Venture Capital Investors;
- Overseas Corporate Bodies;
- Persons ineligible to contract under applicable statutory/regulatory requirements; and
- Any other category of Applicants not provided for under “*Issue Procedure- Who can apply?*” on page 158.

Based on information provided by the Depositories, our Company will have the right to accept Applications for Bonds in dematerialized form belonging to an account for the benefit of a minor under guardianship. The Registrar to the Issue shall verify the foregoing on the basis of records provided by the Depositories based on the DP ID and Client ID provided by the Applicants in the Application Form and uploaded to the electronic platform of the Stock Exchanges.

Pursuant to the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies) Regulations, 2003, OCBs are not permitted to invest in the Issue.

Nothing in this Draft Prospectus shall constitute a solicitation, offer or invitation for the sale of any securities in any jurisdiction where it is unlawful to do so, or to any persons ineligible to participate in the Issue. The Bonds have not been and will not be registered, listed or otherwise qualified for any offering to the public, or to any restricted persons, in any jurisdiction outside India. In particular, the Bonds have not been and will not be registered under the United States Securities Act, 1933 (“Securities Act”) and may not be offered or sold within the United States or to, or for the account or benefit of, ‘U.S. persons’ (as defined in Regulation S under the Securities Act) except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Applications in the Issue by persons resident outside India, including persons based, incorporated, domiciled or resident in the U.S.A., are liable to be rejected. Prospective investors are advised to seek independent legal, tax and investment advice, as necessary, in order to ascertain their eligibility to invest in the Issue and possible consequences of such investment, and to ensure that they have obtained and are able to furnish copies of all necessary legal or regulatory approvals and proof of compliance with all prescribed procedures and legal and regulatory requirements for investing in the Issue, failing which their applications are liable to be rejected. All communications and correspondence in relation to the Issue, including in relation to dispatch and delivery of Allotment Advice, Refund Orders, etc. will be made only to the investors’/Applicants’ registered addresses in India.

Modes of Making Applications

Applicants may use any of the following facilities for making Applications:

- (a) ASBA Applications through the members of the Consortium or Trading Members of the Stock Exchanges only in the Specified Cities (“**Syndicate ASBA**”). See “- *Application For Allotment Of Bonds*” on page 161;
- (b) ASBA Applications through the Designated Branches of SCSBs. See “- *Application For Allotment Of Bonds*” on page 161; and
- (c) Non-ASBA Applications through Members of the Syndicate or Trading Members of the Stock Exchanges at centres mentioned in the Application Form. See “- *Application For Allotment Of Bonds*” on page 161.

Applications by certain categories of Applicants

Applications by MFs

No scheme of an MF may invest more than 15.00% of the net asset value of such scheme in debt instruments issued by a single company, which are rated not below investment grade by a credit rating agency authorized to carry out such activity. Such investment limit may be extended to 20.00% of the net asset value of such scheme with the prior approval of the board of trustees and the board of the asset management company.

A separate Application can be made in respect of each scheme of an MF, and such Applications will not be treated as multiple Applications. Applications made by the asset management companies or custodians of an MF must clearly indicate the name of the scheme for which such Application is being made. In case of Applications made by MFs, the Application Form must be accompanied by certified true copies of their (i) certificate of registration with SEBI; (ii) trusts deed (iii) resolution authorising investment and containing operating instructions; and (iv) specimen signatures of authorized signatories. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason.

Applications by Trusts

Applications made by a Trusts settled under the Indian Trusts Act, 1882, or any other statutory and/or regulatory provision governing the settlement of trusts in India, must be accompanied by a (i) certified true copy of the registered instrument for creation of such Trusts, (ii) power of attorney, if any, in favour of one or more trustees thereof; and (iii) such other documents evidencing registration thereof under applicable statutory/regulatory requirements. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason.

Further, any trust applying for Bonds must ensure that (a) they are authorized under applicable statutory/regulatory requirements and their constitution instrument to hold and invest in bonds, (b) they have obtained all necessary approvals, consents or other authorisations, which may be required under applicable statutory and/or regulatory requirements to invest in bonds, and (c) applications made by them do not exceed the investment limits or maximum number of Bonds that can be held by them under applicable statutory and or regulatory provisions.

Application by Alternative Investments Funds

Application made by Alternative Investments Funds eligible to invest in accordance with the Alternative Investment Funds Regulations, 2012, for Allotment of the Bonds must be accompanied by certified true copies of: (i) their certificate of registration with SEBI; (ii) a resolution authorising investment and containing operating instructions, memorandum and articles of associations; and (iii) specimen signatures of authorized signatories. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason.

Application by Scheduled Commercial Banks, Co-operative Banks and Regional Rural Banks

Scheduled commercial banks, co-operative banks and regional rural banks can apply in the Issue based on their respective investment limits and approvals. The Application Form must be accompanied by certified true copies of their (i) memorandum and articles of association/charter of constitution; (ii) power of attorney; (iii) resolution authorising investments/containing operating instructions; (iv) specimen signatures of authorized signatories; and (v) PAN Card. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason.

Pursuant to SEBI Circular (No. CIR/CFD/DIL/1/2013) dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

Application by Insurance Companies

The Application Form must be accompanied by certified copies of their (i) certificate of registration issued by IRDA; (ii) memorandum and articles of association; (iii) resolution authorising investment and containing operating instructions; (iv) power of attorney; and (v) specimen signatures of authorized signatories. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason.**

Applications by PFIs

In case of Applications by PFIs authorized to invest in the Bonds, the Application Form must be accompanied by certified true copies of: (i) any act/rules under which they are incorporated; (ii) board resolution authorising

investments; and (iii) specimen signature of authorized person. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason.

Applications by Provident Funds and Pension Funds

In case of Applications by Indian provident funds and pension funds authorized to invest in the Bonds, the Application Form must be accompanied by certified true copies of: (i) any Act/rules under which they are incorporated; (ii) power of attorney, if any, in favour of one or more trustees thereof; (iii) board resolution authorising investments; (iv) such other documents evidencing registration thereof under applicable statutory/regulatory requirements; (v) specimen signature of authorized person; (vi) certified copy of the registered instrument for creation of such fund/trust; and (vii) tax exemption certificate issued by income tax authorities, if exempt from income tax. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason.

Applications by National Investment Fund

In case of Applications by National Investment Fund, the Application Form must be accompanied by certified true copies of: (i) resolution authorising investment and containing operating instructions; and (ii) specimen signature of authorized person. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason.**

Applications by Companies, Limited Liability Partnerships and Bodies Corporate

In case of Applications by companies, limited liability partnerships and bodies corporate, the Application Form must be accompanied by certified true copies of: (i) board resolution/resolution authorising investments; and (ii) specimen signature of authorized person, together with copies of any Act/Rules under which they are incorporated. **Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason.**

Applications under Power of Attorney

In case of Applications made pursuant to a power of attorney by Applicants in Category I and Category II, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws must be submitted with the Application Form. In case of Applications made pursuant to a power of attorney by Applicants in Category III and Category IV, a certified copy of the power of attorney must be submitted with the Application Form. **Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason. Our Company, in its absolute discretion, reserves the right to relax the above condition of attaching the power of attorney with the Application Forms, subject to such terms and conditions that our Company and the Lead Managers may deem fit.**

Applications by Partnership Firms

The Application must be accompanied by certified true copies of: (i) Partnership Deed; (ii) Any documents evidencing registration thereof under applicable statutory/regulatory requirements; (iii) Resolution authorizing investment and containing operating instructions (Resolution); (iv) Specimen signature of authorized person. Failing this, our Company reserves the right to accept or reject any Applications in whole or in part, in either case, without assigning any reason.

Brokers having online demat account portals may also provide a facility of submitting the Application Forms (ASBA as well as non-ASBA Applications) online to their account holders. Under this facility, a broker receives an online instruction through its portal from the Applicant for making an Application on his/her behalf. Based on such instruction, and a power of attorney granted by the Applicant to authorize the broker, the broker makes an Application on behalf of the Applicant.

APPLICATION FOR ALLOTMENT OF BONDS

In terms of Regulation 4(2)(d) of the SEBI Debt Regulations and Section 29(1) of the Companies Act 2013, our Company will make the public issue of the Bonds in the dematerialized form only.

Submission of ASBA Applications

Applicants may also apply for Bonds using the ASBA facility. ASBA Applications can be submitted only by Applicants opting for Allotment in dematerialized form. ASBA Applications can be submitted through either of the following modes:

a) Physically or electronically to the Designated Branches of SCSB with whom the respective ASBA Account of the Applicant is maintained. In case of ASBA Application in physical mode, the ASBA Applicant will submit the Application Form at the relevant Designated Branch of the SCSB. The Designated Branch will verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the ASBA Application, prior to uploading such ASBA Application onto the electronic platform of the Stock Exchanges. **If sufficient funds are not available in the ASBA Account, the respective Designated Branch will reject such ASBA Application and will not upload such ASBA Application in the electronic platform of the Stock Exchanges.** If sufficient funds are available in the ASBA Account, the Designated Branch will block an amount equivalent to the Application Amount and upload details of the ASBA Application on the electronic platform of the Stock Exchanges, and thereafter will stamp the Application Form. In case of Application in the electronic mode, the ASBA Applicant will submit the ASBA Application either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for application and blocking funds in the ASBA Account held with SCSB, and accordingly registering such ASBA Applications.

b) Physically through the members of the Syndicate or Trading Members of the Stock Exchanges only at the Specified Cities, through the Syndicate ASBA mechanism. ASBA Applications submitted to the members of the Syndicate or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Application, is maintained has not named at least one branch at that Specified City for the Members of the Syndicate or Trading Members of the Stock Exchanges, as the case may be, to deposit ASBA Applications. A list of such branches is available at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries.

On receipt of the Application Form by the members of the Syndicate or Trading Members of the Stock Exchanges, as the case may be, an acknowledgement will be issued by giving the counter-foil of the Application Form with the dated stamp to the ASBA Applicant as proof of having accepted the Application. Thereafter, the details of the Application will be uploaded in the electronic platform of the Stock Exchanges and the Application Form will be forwarded to the relevant branch of the SCSB, in the relevant Specified City, named by such SCSB to accept such ASBA Applications from the Members of the Syndicate or Trading Members of the Stock Exchanges, as the case may be. A list of such branches is available at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries. On receipt of the ASBA Application, the relevant branch of the SCSB will perform verification procedures and check if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the ASBA Form. **If sufficient funds are not available in the ASBA Account, the relevant ASBA Application is liable to be rejected.** If sufficient funds are available in the ASBA Account, the relevant branch of the SCSB will block an amount equivalent to the Application Amount mentioned in the ASBA Application. The Application Amount will remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount against the Allotted Bonds to the Public Issue Account(s), or until withdrawal/failure of the Issue or withdrawal/rejection of the Application Form, as the case may be.

ASBA Applicants must note that:

(a) Physical Application Forms will be available with the Designated Branches of SCSBs and with the members of the Syndicate at the Specified Cities; and electronic Application Forms will be available on the websites of the SCSBs and the Stock Exchanges at least one day prior to the Issue Opening Date. Trading Members of the Stock Exchanges can download Application Forms from the websites of the Stock Exchanges. Application Forms will also be provided to Trading Members of the Stock Exchanges at their request. The Application Forms would be serially numbered. Further, the SCSBs will ensure that the Abridged Prospectus is made available on their websites as well.

(b) The Designated Branches of SCSBs will accept ASBA Applications directly from ASBA Applicants only during the Issue Period. The SCSB will not accept any ASBA Applications directly from ASBA Applicants after the closing time of acceptance of Applications on the Issue Closing Date. However, in case of Syndicate ASBA, the relevant branches of SCSBs at Specified Cities can accept ASBA Applications from the Members of

the Syndicate or Trading Members of the Stock Exchanges, as the case may be, after the closing time of acceptance of Applications on the Issue Closing Date. For further information on the Issue programme, see “*Terms of the Issue – Issue Period*” on page 142.

(c) In case of Applications through Syndicate ASBA, the physical Application Form will bear the stamp of the Members of the Syndicate or Trading Members of the Stock Exchanges, as the case may be; if not, the same will be rejected. **Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs, if not, the same are liable to be rejected.**

ASBA Applicants can invest in dematerialized form only.

For instructions pertaining to completing Application Form please see “- *General Instructions*” on page 162.

Submission of Non-ASBA Applications for the Bonds in dematerialized form

Applicants must use the Application Form, which will be serially numbered, bearing the stamp of the relevant member of the Syndicate or Trading Member of the Stock Exchanges at centres mentioned in the Application Form, as the case may be, from whom such Application Form is obtained. Such Application Form must be submitted to the relevant Member of the Syndicate or Trading Member of the Stock Exchanges, as the case may be, with the cheque or bank draft for the Application Amount, before the closure of the Issue Period. The Stock Exchanges may also provide Application Forms for being downloaded and filled. Accordingly, Applicants may download Application Forms and submit the completed Application Forms together with cheques/demand drafts to the members of the Syndicate or Trading Member of the Stock Exchanges at centres mentioned in the Application Form. On submission of the completed Application Form, the relevant members of the Syndicate or Trading Member of the Stock Exchanges, as the case maybe, will upload the Application Form on the electronic platform provided by the Stock Exchanges, and once an Application Form has been uploaded, issue an acknowledgement of such upload by stamping the acknowledgement slip attached to the Application Form with the relevant date and time and return the same to the Applicant. Thereafter, the Application Form together with the cheque or bank draft will be forwarded to the Escrow Collection Bank(s) for realisation and further processing.

The duly stamped acknowledgment slip will serve as a duplicate Application Form for the records of the Applicant. The Applicant must preserve the acknowledgment slip and provide the same in connection with: (a) any cancellation/withdrawal of their Application; (b) queries in connection with Allotment and/or refund(s) of Bonds; and/or (c) all investor grievances/complaints in connection with the Issue.

For instructions pertaining to completing Application Form please see “- *General Instructions*” on page 162.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

General Instructions

- (a) Applications must be made only in the prescribed Application Form.
- (b) Applications must be completed in block letters in English as per the instructions contained in this Draft Prospectus, the Prospectus, the Abridged Prospectus and the Application Form.
- (c) Application should be in single or joint names (not exceeding 3 names). In case of Applications in joint names for Allotment of Bonds in dematerialized form, the names should be in the same order as appearing in the records of the DP.
- (d) If the Application is submitted in joint names, the Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the Depository account held in joint names. If the Depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the Depository account and signature of only this person would be required in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.
- (e) Applications must be for minimum of 5 Bonds and in multiples of one Bond thereafter.

- (f) Thumb impressions and signatures other than in English/Hindi/Gujarati/Marathi or any of the other languages specified in the 8th Schedule to the Constitution of India must be attested by a Magistrate or Notary Public or a Special Executive Magistrate under his official seal.
- (g) Applicants should hold a valid PAN allotted under the Income Tax Act and mention it in the Application Form.
- (h) Applicants must tick the relevant box for the 'Category of Investor' provided in the Application Form.
- (i) Applicants must tick the relevant box for the 'Mode of Application' provided in the Application Form, choosing either ASBA or Non-ASBA mechanism.
- (j) ASBA Applicants should correctly mention the ASBA Account number and ensure that funds equal to the Application Amount are available in the ASBA Account.
- (k) Applications should be made by the karta in case of HUFs. Applicants are required to ensure that the PAN details of the HUF are mentioned and not those of the Karta.
- (l) **No separate receipts will be issued for the Application Amount payable on submission of the Application Form.** However, the members of the Consortium, Trading Members of the Stock Exchanges at centres mentioned in the Application Form or the Designated Branches of the SCSBs, as the case may be, will acknowledge the receipt of the Application Forms by stamping the date and returning to the Applicants an acknowledgement slip which will serve as the duplicate of the Application Form for the records of the Applicant.

Our Company, the members of the Syndicate, Trading Members of the Stock Exchanges at centres mentioned in the Application Form, Designated Branches of SCSBs, and the Registrar to the Issue will not be liable for errors in data entry due to submission of incomplete or illegible Application Forms.

Applicant's Beneficiary Account and Bank Account Details

Applicants applying for Allotment in dematerialized form must mention their DP ID and Client ID in the Application Form, and ensure that the name provided in the Application Form is exactly the same as the name in which the Beneficiary Account is held. In case the Application Form for Allotment in dematerialized form is submitted in joint names, it should be ensured that the Beneficiary Account is held in the same joint names and in the same sequence in which they appear in the Application Form. **In case the DP ID, Client ID and PAN mentioned in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchanges do not match with the DP ID, Client ID and PAN available in the Depository database or in case PAN is not available in the Depository database, the Application Form for Allotment in dematerialized form is liable to be rejected. Further, Application Forms submitted by Applicants applying for Allotment in dematerialized form, whose beneficiary accounts are inactive, will be rejected.**

On the basis of the DP ID and Client ID provided by the Applicant in the Application Form for Allotment in dematerialized form and entered into the electronic system of the Stock Exchanges, the Registrar to the Issue will obtain from the Depositories the Demographic Details of the Applicant including PAN, address, bank account details for printing on refund orders/sending refunds through electronic mode, MICR code and occupation. These Demographic Details would be used for giving Allotment Advice and refunds (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), if any, to the Applicants. Hence, Applicants are advised to immediately update their Demographic Details as appearing on the records of the DP and ensure that they are true and correct, and carefully fill in their Beneficiary Account details in the Application Form. **Failure to do so could result in delays in dispatch/credit of refunds to Applicants and delivery of Allotment Advice at the Applicants' sole risk, and neither our Company, the Members of the Syndicate, Trading Members of the Stock Exchanges, Escrow Collection Bank(s) at centres mentioned in the Application Form, SCSBs, Registrar to the Issue nor the Stock Exchanges will bear any responsibility or liability for the same.**

The Demographic Details would be used for correspondence with the Applicants including mailing of Allotment Advice and printing of bank particulars on refund orders or for refunds through electronic transfer of funds, as

applicable. Allotment Advice and physical refund orders would be mailed at the address (in India) of the Applicant as per Demographic Details received from the Depositories. Delivery of refund orders/Allotment Advice may be delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such event, the address and other details provided by the Applicant (other than ASBA Applicants) in the Application Form would be used only to ensure dispatch of refund orders. In case of refunds through electronic modes detailed in this Draft Prospectus, refunds may be delayed if bank particulars obtained from the DP are incorrect. **Any such delay will be at such Applicants' sole risk and neither our Company, the Members of the Syndicate, Trading Members of the Stock Exchanges, Escrow Collection Bank(s) at centres mentioned in the Application Form, SCSBs, Registrar to the Issue nor the Stock Exchanges will be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay, or to pay any interest for such delay.**

In case of Applications made under power of attorney, our Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that for the purpose of printing particulars on the refund order and mailing of refund orders/Allotment Advice, the Demographic Details obtained from the Depository of the Applicant will be used. By signing the Application Form, the Applicant would be deemed to have authorized the Depositories to provide to the Registrar to the Issue, on request, the required Demographic Details available on their records. The Demographic Details provided by the Applicant in the Application Form would not be used for any purpose by the Registrar to the Issue except in relation to the Issue.

With effect from August 16, 2010, the beneficiary accounts of Applicants for whom PAN details have not been verified shall be suspended for credit and no credit of Bonds pursuant to the Issue will be made into the accounts of such Applicants. Application Forms submitted by Applicants whose beneficiary accounts are inactive shall be rejected. Furthermore, in case no corresponding record is available with the Depositories, which matches the 3 parameters, namely, DP ID, Client ID and PAN, then such Application are liable to be rejected.

PAN

Any Application Form without mention of the PAN (or submitting the GIR number instead of the PAN) is liable to be rejected, irrespective of the amount of transaction. In accordance with circular (No. MRD/DoP/Cir- 05/2007) dated April 27, 2007 issued by SEBI, the PAN would be the sole identification number for the participants transacting in the Indian securities market, irrespective of the amount of transaction. Further, with effect from August 16, 2010, beneficiary accounts of Applicants for whom PAN details have not been verified have been suspended for credit and no credit of Bonds pursuant to the Issue will be made into the accounts of such Applicants. Therefore, the Applicant (in the case of Applications made in joint names, the first Applicant) should mention the PAN allotted under the Income Tax Act in the Application Form. For minor Applicants applying through the guardian, it is mandatory to mention the PAN of minor Applicant. However, Applications on behalf of the officials of the GoI or any State Government and officials appointed by the courts in terms of circular (No. MRD/DoP/Cir-20/2008) dated June 30, 2008 issued by SEBI and Applicants residing in the state of Sikkim may be exempt from the requirement to specify their PAN for transacting in the Indian securities market in terms of circular (No. MRD/DoP/Dep/Cir-09/06) dated July 20, 2006 issued by SEBI. However, the exemption for the officials of the GoI or any State Government and officials appointed by the courts and for Applicants residing in the State of Sikkim is subject to the DPs verifying the veracity of such claims by collecting sufficient documentary evidence in support of their claims. At the time of ascertaining the validity of these Applications, the Registrar to the Issue will check under the Depository records for the appropriate description under the PAN field, i.e., either Sikkim category or exempt category.

Joint Applications

Applications by Applicants applying for Allotment in dematerialized form can be in single or joint names (not exceeding 3). If the Application Form is submitted in joint names, the Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the Depository account held in joint names. In case of Applications in joint names for Allotment of Bonds, the names of the Applicants should be the same and appearing in the same order as on the records of the DP. In case of Applications in joint names, any payments will be made out in favour of the first Applicant and any communications will be addressed to the first Applicant whose name should also appear as the first holder of the Depository account held in joint names. If the Depository account is held in joint names, the Application Form should contain the name and PAN of the person whose name appears first in the Depository account and signature of only this person would be required

in the Application Form. This Applicant would be deemed to have signed on behalf of joint holders and would be required to give confirmation to this effect in the Application Form.

Additional/Multiple Applications

For purposes of Allotment of Bonds in the Issue, Applications will be grouped based on the PAN, i.e., Applications under the same PAN will be grouped together and treated as one Application. 2 or more Applications will be deemed to be multiple Applications if the sole or first applicant is one and the same. For the sake of clarity, 2 or more applications shall be deemed to be a multiple Application for the aforesaid purpose if the PAN number of the sole or the first applicant is one and the same.

An Applicant is allowed to make one or more Applications for the Bonds, subject to a minimum Application size of 5 Bonds (₹ 5,000) (individually or collectively, across all Series of Bonds) and in multiples of 1 Bond (₹ 1,000) thereafter, for each Application. **Any Application for an amount below the aforesaid minimum Application size will be deemed as an invalid application and shall be rejected.** Please note that multiple Applications by an Applicant being an individual or the karta of an HUF aggregating to a value exceeding ₹ 10 lakh shall deem such Applicant to be a Category III Applicant and all such Applications shall be grouped in the Category III Portion, for the purpose of determining the basis of Allotment to such Applicant. Applications made by any person in individual capacity and in capacity as a karta of an HUF and/or as second or third Applicant, as the case may be, in case of Applications made in joint names will not be treated as multiple Applications. Moreover, a separate Application can be made in respect of each scheme of an MF and such Applications will not be treated as multiple Applications.

Dos:

1. Check if you are eligible to apply as per the terms of this Draft Prospectus, the Prospectus, the Abridged Prospectus, the Application Form and applicable law.
2. Read all the instructions carefully and complete the Application Form in the prescribed form
3. Ensure that you have obtained all necessary approvals from the relevant statutory and/or regulatory authorities to apply for, subscribe to and/or seek Allotment of Bonds pursuant to the Issue.
4. If the Application Form is submitted in joint names, the Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the Depository account held in joint names.
5. Ensure that signatures other than in the languages specified in the 8th Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.
6. In case of an HUF applying through its karta, the Applicant is required to specify the name of an Applicant in the Application Form as “XYZ HUF applying through PQR”, where PQR is the name of the karta.
7. Ensure that the Application Forms (for non-ASBA Applicants) are submitted at the Collection Centres provided in the Application Forms, bearing the stamp of a Member of the Syndicate or a Trading Members of the Stock Exchange, as the case may be.
8. Ensure that the DP ID, Client ID and PAN mentioned in the Application Form are correct and match the details available in the Depository’s database, and that the beneficiary account is activated for Allotment/trading of Bonds in dematerialized form.
9. Ensure that you have been given a transaction registration slip (“TRS”) and an acknowledgment as proof of having accepted the Application Form.
10. Ensure that the name(s) provided in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the DP. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form.

11. Except in the case of ASBA Applications, Applicants are requested to write their names and Application serial number on the reverse of the instruments by which the payments are made.
12. Tick the relevant box for the 'Category of Investor' provided in the Application Form.
13. Tick the relevant box for the 'Mode of Application' provided in the Application Form, choosing either ASBA or Non-ASBA mechanism.
14. Ensure that the Application Forms are submitted to a Member of the Syndicate or Trading Member of a Stock Exchange, as the case may be, for Applications other than ASBA Applications, before the closure of Application hours on the Issue Closing Date. See "*Terms of the Issue – Issue Period*" on page 142.
15. In case of revision of an Application during the Issue Period, ensure that you have first withdrawn your original Application and then submit a fresh Application.
16. Ensure that the Demographic Details including PAN are updated, true and correct in all respects.
17. It shall be mandatory for Applicants to furnish their PAN and any Application Form, without mention of the PAN is liable to be rejected, irrespective of the amount of transaction.

Don'ts:

1. Do not apply if you are not competent to contract under the Indian Contract Act, 1872, or if you are otherwise ineligible to acquire Bonds under applicable law or your relevant constitutional documents or otherwise.
2. Do not apply such that the number of Bonds applied for exceeds the Issue Size, and/or investment limit applicable to you under applicable laws or regulations.
3. Do not make an Application for lower than the minimum Application size.
4. Do not send Application Forms by post; instead submit the same to a member of the Syndicate, Trading Member of a Stock Exchange or Designated Branch of an SCSB, as the case may be. Applicants other than ASBA Applicants should not submit the Application Form directly to the Escrow Collection Bank(s).
5. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue.
6. Do not pay the Application Amount in cash, by money order or by postal order or by stockinvest.
7. Do not submit the Application Forms without the full Application Amount for the number of Bonds applied for.
8. Do not submit Applications on plain paper or on incomplete or illegible Application Forms.
9. Do not submit an Application in case you are not eligible to acquire Bonds under applicable law or your relevant constitutional documents or otherwise.
10. Do not submit an Application that does not comply with the securities law of your respective jurisdiction.
11. Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground;
12. Do not submit an Application to the Escrow Collection Bank(s), unless such Escrow Collection Bank is a Designated Branch of a SCSB where the ASBA Account is maintained, in case of ASBA Application.

13. Do not apply if you are a person ineligible to apply for Bond under the Issue including Applications by Persons Resident Outside India, (including FIIs, Qualified Foreign Investors and NRIs applying on a repatriation basis but excluding NRIs applying on a non-repatriation basis only);
14. Applicants other than ASBA Applicants should not submit the Application Form directly to the Escrow Collection Banks/Bankers to the Issue, and the same will be rejected in such cases; and
15. Do not make an Application for the Bonds on multiple copies taken of a single form.
16. Do not make an Application for the Bonds if you are not a resident of India, unless you are an NRI applying on a non-repatriation basis.
17. Do not make an Application for the Bonds if you are an NRI applying on a repatriation basis.

Additional Instructions Specific to ASBA Applicants

Dos:

1. Check if you are eligible to apply under ASBA;
2. Ensure that you tick the ASBA option in the Application Form and provide correct details of your ASBA Account including bank account number/bank name and branch;
3. Ensure that your Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Members of the Syndicate or Trading Members of the Stock Exchanges at the Specified Cities, and not directly to the Escrow Collection Bank(s) (assuming that such bank is not an SCSB) or to our Company or the Registrar to the Issue;
4. Before submitting physical Application Form with the Member of the Syndicate at the Specified Cities ensure that the SCSB, whose name has been filled in the Application Form, has a branch in that centre.
5. In case of ASBA Applications through Syndicate ASBA, before submitting the physical Application Form to a Member of the Syndicate, at the Specified Cities or Trading Member of the Stock Exchanges, ensure that the SCSB where the ASBA Account, as specified in the Application Form, is maintained has named at least one branch in that specified city for the Members of the Syndicate or Trading Members of the Stock Exchanges, as the case may be, to deposit Application Forms (A list of such branches is available at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries);
6. Ensure that the Application Form is signed by the ASBA Account holder in case the ASBA Applicant is not the account holder;
7. Ensure that the ASBA Account holder has funds equal to the Application Amount in the ASBA Account before submitting the Application Form;
8. Ensure that you have correctly ticked, provided or checked the authorization box in the Application Form, or otherwise have provided an authorization to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Amount mentioned in the Application Form;
9. In terms of SEBI Circular (No. CIR/CFD/DIL/1/2013) dated January 2, 2013, SCSBs making applications on their own account using ASBA facility, should have a separate account in their own name with any other SEBI registered SCSB. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications; and
10. Ensure that you have received an acknowledgement from the Designated Branch or the Member of the Syndicate or Trading Member of the Stock Exchange, as the case may be for submission of the Application Form.

Don'ts:

1. Do not submit the Application Amount in any mode other than through blocking of Application Amount in the ASBA Accounts;
2. Do not submit the Application Form to the Members of the Syndicate or Trading Members of the Stock Exchanges, as the case may be, at a location other than the Specified Cities;
3. Do not send your physical Application Form by post; instead submit the same to a Designated Branch of an SCSB or Member of the Syndicate or Trading Members of the Stock Exchanges, as the case may be, at the Specified Cities; and
4. Do not submit more than 5 Application Forms per ASBA Account.

ASBA Applications submitted to the Members of the Syndicate or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the Application Form, is maintained has not named at least one branch at that specified city for the Members of the Syndicate or Trading Members of the Stock Exchanges, as the case may be, to deposit such Application Forms. A list of such branches is available at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries. See “- Rejection of Applications” on page 171 for information on rejection of Applications.

For further instructions, Applicants are advised to read the Prospectus, Abridged Prospectus and Application Form.

The Applicant shall be responsible for providing the above information and KYC documents accurately. Delay or failure in credit of payments or receipt of Allotment Advice or Bond certificates due to inaccurate or incomplete details shall be at the sole risk of the Applicants and the Lead Managers, our Company and the Registrar to the Issue shall have no responsibility and undertake no liability in this relation.

Consolidated list of documents required for various categories

For the sake of simplicity we hereby provide the details of documents required to be submitted by various categories of Applicants while submitting the Application Form:

Type of Investors	Documents to be submitted with application form
PFI, commercial banks authorized to invest in the Bonds, companies and bodies corporate registered under the applicable laws in India and authorized to invest in the Bonds; State Industrial Development Corporations; Companies and societies registered under the applicable laws in India and authorized to invest in the Bonds	The Application must be accompanied by certified true copies of: <ul style="list-style-type: none"> • The act/rules under which they are incorporated or constituted; • Board resolution authorizing investments; and • Specimen signature of authorized person.
Insurance companies registered with the IRDA	The Application must be accompanied by certified copies of <ul style="list-style-type: none"> • The act/rules under which they are incorporated; • Registration documents (i.e. IRDA registration); • Resolution authorizing investment and containing operating instructions; and • Specimen signature of authorized person.
Provident funds, pension Funds and National Investment Fund	The Application must be accompanied by certified true copies of: <ul style="list-style-type: none"> • The act/rules under which they are incorporated or constituted; • Board resolution authorizing investments; and • Specimen signature of authorized person.
MFs	The Application must be also accompanied by certified true copies of: <ul style="list-style-type: none"> • SEBI registration certificate and trust deed; • Resolution authorizing investment and containing

Type of Investors	Documents to be submitted with application form
Applicants through a power of attorney under Category I and II	<ul style="list-style-type: none"> operating instructions; and • Specimen signature of authorized person. <p>The Application must be also accompanied by certified true copies of:</p> <ul style="list-style-type: none"> • A certified copy of the power of attorney or the relevant resolution or authority, as the case may be; • A certified copy of the memorandum of association and articles of association and/or bye laws and/or charter documents, as applicable; and • Specimen signature of power of attorney holder/authorized signatory as per the relevant resolution.
Resident Indian individuals under Categories III and IV	N.A.
Resident HUF under Category III and Category IV	<p>The Application must be also accompanied by certified true copies of:</p> <ul style="list-style-type: none"> • Self-attested copy of PAN card of HUF; • Bank details of HUF, including copy of pass-book/bank statement/cancelled cheque indicating HUF status of the applicant; and • Self-attested copy of proof of address of karta, identity proof of karta.
Applications through a power of attorney under Category III and Category IV	The Application must be also accompanied by certified true copies of a certified copy of the power of attorney.
Partnership firms in the name of the partners and limited Liability partnerships	<p>The Application must be also accompanied by certified true copies of:</p> <ul style="list-style-type: none"> • Partnership deed; • Any documents evidencing registration thereof under applicable statutory/regulatory requirements; • Resolution authorizing investment and containing operating instructions; and • Specimen signature of authorized person.
Applications by NRIs	<p>The Application must be also accompanied by certified true copies of:</p> <ul style="list-style-type: none"> • A certificate from the issuing bank confirming that the demand draft has been drawn on an NRE/NRO/FCNR account. • A PIO Card (if the NRI is a Person of Indian Origin).

PAYMENT INSTRUCTIONS

The entire Application Amount is payable at the time of submitting the Application Form. In case of ASBA Applicants, an amount equivalent to the entire Application Amount will be blocked in the relevant ASBA Account. In case of Allotment of a lesser number of Bonds than applied for, our Company will refund the excess amount paid on Application to the Applicant (or the excess amount shall be unblocked in the ASBA Account, as the case may be).

Payment mechanism for ASBA Applicants

ASBA Applicants are required to specify the ASBA Account number in the Application Form. ASBA Applications submitted to the Members of the Syndicate or Trading Members of the Stock Exchanges at the Specified Cities will be uploaded onto the electronic platform of the Stock Exchanges and deposited with the relevant branch of the SCSB at the specified city named by such SCSB to accept such ASBA Applications from the Members of the Syndicate or Trading Members of the Stock Exchanges, as the case may be (A list of such branches is available at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries). The relevant branch of the SCSB will perform verification procedures and block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application.

For ASBA Applications submitted directly to the SCSBs, the relevant SCSB will block an amount in the ASBA Account equal to the Application Amount specified in the ASBA Application, before entering the ASBA

Application into the electronic platform. SCSBs may provide the electronic mode of Application either through an internet enabled application and banking facility or such other secured, electronically enabled mechanism for application and blocking of funds in the ASBA Account. For ASBA Applications, the SCSBs, will block Application Amount only against/in a funded deposit account and ensure that clear demarcated funds are available for ASBA Applications and no lien shall be marked against credit limits/overdraft facility of account holders for ASBA Application, in accordance with SEBI circular CIR/CFD/DIL/12/2012 dated September 13, 2012.

ASBA Applicants should ensure that they have funds equal to the Application Amount in the ASBA Account before submitting the ASBA Application to the Members of the Syndicate or Trading Members of the Stock Exchanges, as the case may be, at the Specified Cities or to the Designated Branches of SCSBs. An ASBA Application where the corresponding ASBA Account does not have sufficient funds equal to the Application Amount at the time of blocking the ASBA Account is liable to be rejected.

The Application Amount will remain blocked in the ASBA Account until approval of the Basis of Allotment and consequent transfer of the amount to the Public Issue Account(s), or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is approved, the Registrar to the Issue will send an appropriate request to the controlling branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount pertaining to Bonds allocable to the successful ASBA Applicants to the Public Issue Account(s). In case of withdrawal/failure of the Issue/refund, the blocked amount will be unblocked on receipt of such information from the Registrar to the Issue.

Escrow Mechanism for Applicants other than ASBA Applicants

We shall open Escrow Accounts with one or more Escrow Collection Banks in whose favour the Applicants (except for ASBA Applicants) shall draw cheques or demand drafts. All Applicants would be required to pay the full Application Amount at the time of the submission of the Application Form. Cheques or demand drafts for the Application Amount received from Applicants would be deposited by the Members of the Syndicate and Trading Members, as the case may be, in the Escrow Accounts.

Each Applicant (except for ASBA Applicants) shall draw a cheque or demand draft for the Application Amount as per the following terms:

- (i) a) Payment instruments for payment into the Escrow Accounts should be drawn in favour of:
 - In case of Resident Applicants: “[●] - R”
 - In case of NRIs applying on a non-repatriation basis: “[●] - NR”.
- b) Payments should be made by cheque, or a demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and Applications accompanied by such cheques or bank drafts are liable to be rejected.
- c) The monies deposited in the Escrow Account will be held for the benefit of the Applicants until the Designated Date.
- d) On the Designated Date, the Escrow Collection Banks shall transfer the funds from the Escrow Accounts as per the terms of the Escrow Agreement into the Public Issue Account(s). The Escrow Collection Banks shall also, upon receipt of instructions from the Lead Managers and the Registrar to the Issue, transfer all amounts payable to Applicants, who have not been allotted Bonds to the Refund Account(s).

The Escrow Collection Bank(s) shall transfer the funds from the Escrow Account into the Public Issue Account(s), as per the terms of the Escrow Agreement and the Prospectus.

All cheques/bank drafts accompanying the Application should be crossed “A/c. Payee only”.

Application Amounts paid through the online payment facility of the Stock Exchanges will also be deposited in the Escrow Account(s).

The Escrow Collection Bank(s) will maintain the monies in the Escrow Account(s) until documents for creation of security for the Bonds are executed. The Escrow Collection Bank(s) will not exercise any lien whatsoever over the monies deposited therein and will hold the monies therein in trust for the Applicants. On the Designated Date, the Escrow Collection Bank(s) will transfer the funds represented by Allotment of Bonds (other than in respect of Allotment to successful ASBA Applicants) from the Escrow Account(s), as per the terms of the Escrow Agreement, into the Public Issue Account(s), provided that our Company will have access to such funds only after receipt of final listing and trading approvals from the Stock Exchanges and execution of the Bond Trust Deed. The balance amount after transfer to the Public Issue Account(s) will be transferred to the Refund Account. Payments of refund to the relevant Applicants will be made from the Refund Account as per the terms of the Escrow Agreement and the Prospectus.

Payment by cash/stockinvest/money order

Payment through cash/stockinvest/money order will not be accepted in the Issue.

Online Applications

Our Company may decide to offer an online Application facility for the Bonds, as and when permitted by applicable laws, subject to the terms and conditions prescribed.

REJECTION OF APPLICATION

Our Company reserves its full, unqualified and absolute right to accept or reject any Application in whole or in part and in either case without assigning any reason thereof. Applications would be liable to be rejected on one or more technical grounds, including but not restricted to the following:

- Applications where a registered address in India is not provided for the Applicant.
- Applications without a valid demat account for the Applicant.
- Applications by persons who are not eligible to acquire Bonds of our Company in terms of applicable laws, rules, regulations, guidelines and approvals, including Applications by persons not competent to contract under the Contract Act (including a minor not applying through a guardian) and Applications by OCBs.
- In case of partnership firms, Bonds may be registered in the names of the individual partners and no firm as such will be entitled to apply. However, a limited liability partnership firm can apply in its own name.
- In case of Applications under power of attorney or by corporates, trusts, societies and so on, if relevant documents are not submitted.
- Applications accompanied by stockinvest/money order/postal order/cash.
- Applications for an amount below the minimum Application size.
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations and applicable law or than the Issue Size. However, our Company may Allot Bonds up to the maximum permissible limit under applicable law.
- Applications without payment of the entire Application Amount. However, our Company may Allot Bonds up to the value of Application Amounts paid, if such Application Amounts exceed the minimum Application size prescribed hereunder.
- Application Amount paid being higher than the value of Bonds Applied for. However, our Company may Allot Bonds up to the number of Bonds Applied for, if the value of such Bonds Applied for exceeds the minimum Application size.
- Applications for a number of Bonds which is not in a multiple of one. However, our Company may Allot Bonds upto lower integer if such Application Amount exceeds the minimum application size.
- Submission of more than 5 ASBA Applications per ASBA Account.
- PAN not mentioned in the Application Form, except for Applications by or on behalf of the Central or State Government and the officials appointed by the courts and by Applicants residing in the State of Sikkim, provided such claims have been verified by the DPs.
- GIR number furnished instead of PAN.
- DP ID, Client ID and bank account not mentioned in the Application Form.
- ASBA Applications not having details of the ASBA Account to be blocked.
- Authorisation to the SCSB for blocking funds in the ASBA Account not provided.

- Signature of sole Applicant missing, or, in case of joint Applicants, the Application Forms not being signed by the first Applicant (as per the order appearing in the records of the Depository).
- ASBA Application Forms not signed by the ASBA Account holder, if the ASBA Account holder is different from the Applicant.
- Application Forms submitted to the Members of the Syndicate or Trading Members of the Stock Exchanges does not bear the stamp of the relevant Member of the Syndicate or Trading Member of the Stock Exchanges, as the case may be. ASBA Applications submitted directly to the Designated Branches of SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or Member of the Syndicate or Trading Members of the Stock Exchanges, as the case may be.
- In case of Allotment in dematerialized form, if the corresponding records available with the Depositories do not match the 3 parameters of DP ID, Client ID and PAN for the Applicant, or if PAN is not available in the Depository database.
- With respect to ASBA Applications, inadequate funds in the ASBA Account to enable the SCSB to block the Application Amount specified in the ASBA Application Form at the time of blocking such Application Amount in the ASBA Account or no confirmation is received from the SCSB for blocking of funds.
- Applications by persons debarred from accessing capital markets, by SEBI or any other regulatory authority.
- Applications not uploaded on the terminals of the Stock Exchanges.
- Applications uploaded after the expiry of the allocated time on the Issue Closing Date, unless extended by the Stock Exchanges, as applicable.
- Applications by Applicants whose beneficiary accounts have been 'suspended for credit' pursuant to the circular issued by SEBI on July 29, 2010 bearing number CIR/MRD/DP/22/2010.
- ASBA Applications submitted to the Members of the Syndicate or Trading Members of the Stock Exchanges at locations other than the Specified Cities or at a Designated Branch of a SCSB where the ASBA Account is not maintained, and ASBA Applications submitted directly to an Escrow Collection Bank (assuming that such bank is not a SCSB), to our Company or the Registrar to the Issue.
- Application Forms not delivered by the Applicant within the time prescribed as per the Application Form and the Prospectus and as per the instructions in the Application Form and the Prospectus.
- Application Form accompanied with more than one payment instructions/cheque.
- Date of Birth for first/sole Applicant for persons applying for Allotment not mentioned in the Application Form.
- SCSB making an ASBA application (a) through an ASBA Account maintained with its own self or (b) through an ASBA account maintained through a different SCSB not in its own name, or (c) through an ASBA Account maintained through a different SCSB in its own name, which ASBA Account is not utilized for the purpose of applying in public issue.
- With respect to non-ASBA Applicants, Applications where clear funds are not available in Applicants Accounts as per final certificates from Escrow Collection Bank(s).
- Applications by persons/entities that have been debarred from accessing the capital markets by SEBI.
- Where PAN details in the Application Form and as entered into the electronic platform of the stock exchange(s), are not as per the records of the Depositories.
- ASBA Applications submitted to the Members of the Syndicate or Trading Members of the Stock Exchanges at the Specified Cities will not be accepted if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that Specified City for the Members of the Syndicate or Trading Members of the Stock Exchanges, as the case may be, to deposit ASBA Applications (A list of such branches is available at www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognized-Intermediaries).
- In case of NRIs applying on a non-repatriation basis, if the status of the demat account is mentioned as repatriable.

In terms of the RBI circular (No.DPSS.CO.CHD.No./133/04.07.05/2013-14) dated July 16, 2013, non-CTS cheques would be processed in three CTS centres thrice a week until April 30, 2014, twice a week until October 31, 2014 and once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Bid/Offer Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payments. Investors are cautioned that Bid cum Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Bid/Offer Closing Date.

For information on certain procedures to be carried out by the Registrar to the Issue for finalisation of the Basis of Allotment, see “- **Information for Applicants**” on page 175. For information on payment of refunds, see “**Terms of the Issue - Payment of Refunds**” on page 175.

ELECTRONIC REGISTRATION OF APPLICATIONS

(a) The Members of the Syndicate, Trading Members of the Stock Exchanges and Designated Branches of SCSBs, as the case may be, will register Applications using the online facilities of the Stock Exchanges. There will be at least one online connection in each city where Applications are being accepted. **Our Company, the Members of the Syndicate, Trading Members of the Stock Exchanges, Escrow Collection Bank(s) and the Registrar to the Issue are not responsible for any acts, mistakes or errors or omission and commissions in relation to: (i) Applications accepted by the SCSBs, (ii) Applications uploaded by the SCSBs, (iii) Applications accepted but not uploaded within the time permitted by the Stock Exchanges by the SCSBs, (iv) Applications accepted and uploaded by the SCSBs without blocking funds in the ASBA Accounts, or (v) Applications accepted by the Trading Members of the Stock Exchanges.**

(b) In case of apparent data entry error by the Lead Managers, Members of the Syndicate, Trading Members of the Stock Exchanges, Escrow Collection Bank(s) or Designated Branches of SCSBs, as the case may be, in entering the Application Form number in their respective schedules other things remaining unchanged, the Application Form may be considered as valid and such exceptions may be recorded in minutes of the meeting submitted to the Designated Stock Exchange.

(c) The Stock Exchanges will offer an electronic facility for registering Applications, which will be available during the Issue Period on the terminals of the members of the Syndicate, Trading Members of the Stock Exchanges and the SCSBs. The members of the Syndicate and Trading Members of the Stock Exchanges can also set up facilities for offline electronic registration of Applications subject to the condition that they will subsequently upload the offline data file into the online facilities for Applications on a regular basis, and before the expiry of the allocated time on the Issue Closing Date. On the Issue Closing Date, the members of the Syndicate, Trading Members of the Stock Exchanges and Designated Branches of SCSBs will upload Applications until such time as may be permitted by the Stock Exchanges. This information will be available with the Members of the Syndicate, Trading Members of the Stock Exchanges and Designated Branches of SCSBs on a regular basis. **A high inflow of Applications on the Issue Closing Date may lead to some Applications received on such day not being uploaded; such Applications will not be considered for allocation. Applicants are therefore advised to submit their Applications well in advance of the closing time of acceptance of Applications on the Issue Closing Date.** For further information on the Issue programme, see “**Terms of the Issue – Issue Period**” on page 142.

(d) At the time of registering each Application, other than ASBA Applications, the members of the Syndicate or Trading Members of the Stock Exchanges will enter the requisite details of the Applicants in the online system including:

- Application Form number
- PAN of the sole/first Applicant
- Investor category and sub-category
- DP ID
- Client ID
- Series of Bonds applied for
- Number of Bonds Applied for in each Series of Bond
- Price per Bond
- Application amount
- Cheque number

(e) With respect to ASBA Applications submitted directly to the SCSBs at the time of registering each Application, the Designated Branches will enter the requisite details of the Applicants in the online system including:

- Application Form number
- PAN of the sole/first Applicant
- Investor category and sub-category
- DP ID
- Client ID

- Series of Bonds applied for
- Number of Bonds Applied for in each Series of Bond
- Price per Bond
- Bank code for the SCSB where the ASBA Account is maintained
- Bank account number
- Application amount

(f) With respect to ASBA Applications submitted to the members of the Syndicate or Trading Members of the Stock Exchanges at the Specified Cities, at the time of registering each Application, the requisite details of the Applicants will be entered in the online system including:

- Application Form number
- PAN of the sole/first Applicant
- Investor category and sub-category
- DP ID
- Client ID
- Series of Bonds applied for
- Number of Bonds Applied for in each Series of Bond
- Price per Bond
- Bank code for the SCSB where the ASBA Account is maintained
- Location of Specified City
- Bank account number
- Application amount

(g) A system generated acknowledgement slip will be issued to the Applicant as a proof of the registration of each Application. **It is the Applicant's responsibility to obtain the acknowledgement slip stamped with date and time from the Members of the Syndicate, Trading Members of the Stock Exchanges and Designated Branches of the SCSBs, as the case may be. Registration of the Application by the Members of the Syndicate, Trading Members of the Stock Exchanges and Designated Branches of SCSBs, as the case may be, does not guarantee that Bonds will be allocated/Allotted by our Company. The acknowledgement slip will be non-negotiable and by itself will not create any obligation of any kind.**

(h) Applications can be rejected on the technical grounds listed on page 171 or if all required information is not provided or the Application Form is incomplete in any respect.

(i) The permission granted by the Stock Exchanges to use their network and software of the online system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the Bonds will be listed or will continue to be listed on the Stock Exchanges.

(j) Only Applications that are uploaded on the online system of the Stock Exchanges will be considered for allocation/Allotment. The members of the Syndicate, Trading Members of the Stock Exchanges and Designated Branches of SCSBs will capture all data relevant for the purposes of finalising the Basis of Allotment while uploading Application data in the electronic systems of the Stock Exchanges. In order that the data so captured does not match with the Depository details, the members of the Syndicate, Trading Members of the Stock Exchanges and Designated Branches of SCSBs will have up to one Working Day after the Issue Closing Date to modify/verify certain selected fields uploaded in the online system during the Issue Period after which the data will be sent to the Registrar to the Issue for reconciliation with the data available with the Depositories.

BASIS OF ALLOTMENT

See “*Terms of the Issue – Basis of Allotment*” on page 174.

PAYMENT OF REFUNDS

See “*Terms of the Issue – Payment of Refunds*” on page 145.

ALLOTMENT OF BONDS AND ISSUANCE OF ALLOTMENT ADVICE

Our Company reserves, in its absolute and unqualified discretion and without assigning any reason, the right to reject any Application in whole or in part. The unutilized portion of the Application Amount(s) will be refunded to the Applicant by an account payee cheque/demand draft. In case the cheque payable at par facility is not available, our Company reserves the right to adopt any other suitable mode of payment.

Our Company will use best efforts to ensure that all steps for completion of the necessary formalities for Allotment, listing and commencement of trading at the Stock Exchanges where the Bonds are proposed to be listed are taken within 12 Working Days of the Issue Closing Date. Our Company will ensure dispatch of Allotment Advice/refund orders within 12 Working Days of the Issue Closing Date and/or issue instructions for credit of Bonds to the respective beneficiary accounts with DPs for successful Applicants who have been Allotted Bonds in dematerialized form within 12 Working Days of the Issue Closing Date. Allotment Advice for successful Applicants who have been Allotted Bonds in dematerialized form will be mailed to their addresses (in India) as per the Demographic Details received from the Depositories.

Our Company will credit the Allotted Bonds to the respective beneficiary accounts/dispatch the Allotment Advice/refund orders, as the case may be, by speed/registered post at the Applicant’s sole risk within 12 Working Days of the Issue Closing Date. Our Company and every officer in default will be liable to pay interest at applicable rate for delay beyond the stipulated time, our Company becomes liable to repay any amount on account of refund, as may be prescribed under of the Companies Act.

Our Company will provide adequate funds required for dispatch of refund orders and Allotment Advice, as applicable, to the Registrar to the Issue.

OTHER INFORMATION

Information for Applicants

In case of ASBA Applications submitted to the SCSBs, in terms of SEBI circular dated April 22, 2010, the Registrar to the Issue will reconcile the compiled data received from the Stock Exchanges and all SCSBs, and match the same with the Depository database for correctness of DP ID, Client ID and PAN. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records for such ASBA Applications or treat such ASBA Applications as rejected.

In case of ASBA Applicants submitted to the Members of the Syndicate and Trading Members of the Stock Exchanges at the Specified Cities, the Basis of Allotment will be based on the validation by the Registrar to the Issue of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the SCSBs with the electronic details in terms of SEBI circular dated April 29, 2011. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Designated Stock Exchange, the Lead Managers and the Registrar to the Issue, reserves the right to proceed as per the Depository records or treat such ASBA Application as rejected.

In case of non-ASBA Applications, the Basis of Allotment will be based on the validation by the Registrar to the Issue of the electronic details with the Depository records, and the complete reconciliation of the final certificates received from the Escrow Collection Bank(s) with the electronic details in terms of SEBI circular dated April 22, 2010 and SEBI circular dated April 29, 2011. The Registrar to the Issue will undertake technical rejections based on the electronic details and the Depository database. In case of any discrepancy between the electronic data and the Depository records, our Company, in consultation with the Lead Managers, the Registrar to the Issue, reserves the right to proceed as per the Depository records or treat such Applications as rejected.

Based on the information provided by the Depositories, our Company will have the right to accept Applications belonging to an account for the benefit of a minor (under guardianship). In case of Applications for a higher number of Bonds than specified for that category of Applicant, only the maximum amount permissible for such category of Applicant will be considered for Allotment.

Withdrawal of Applications during the Issue Period

Withdrawal of ASBA Applications

ASBA Applicants may withdraw their ASBA Applications during the Issue Period by submitting a request to a member of the Syndicate, Trading Member of the Stock Exchanges or a Designated Branch of an SCSB, as the case may be, through whom the ASBA Application had been placed. In case of ASBA Applications submitted to the members of the Syndicate or Trading Members of the Stock Exchanges at the Specified Cities, on receipt of the request for withdrawal from the ASBA Applicant, the relevant member of the Syndicate or Trading Member of the Stock Exchanges, as the case may be, will do the requisite, including deletion of details of the withdrawn ASBA Application Form from the electronic platform of the Stock Exchanges. In case of ASBA Applications submitted directly to the Designated Branch of the SCSB, on receipt of the request for withdrawal from the ASBA Applicant, the relevant Designated Branch will do the requisite, including deletion of details of the withdrawn ASBA Application Form from the electronic platform of the Stock Exchanges and unblocking funds in the ASBA Account directly.

Withdrawal of Non-ASBA Applications

Non-ASBA Applicants can withdraw their Applications during the Issue Period by submitting a request for the same to the member of the Syndicate or Trading Member of the Stock Exchanges, as the case may be, through whom the Application had been made. On receipt of the request for withdrawal from the Applicant, the relevant member of the Syndicate or Trading Member of the Stock Exchanges, as the case may be, will do the requisite, including deletion of details of the withdrawn ASBA Application Form from the electronic platform of the Stock Exchanges.

Withdrawal of Applications after the Issue Period

In case an Applicant wishes to withdraw the Application after the Issue Closing Date, the same can be done by submitting a withdrawal request to the Registrar to the Issue prior to the finalisation of Allotment. The Registrar to the Issue will delete the withdrawn Application from the electronic file provided by the Stock Exchanges and issue instruction to the SCSB for unblocking the ASBA Account (in case of ASBA Applications).

Revision of Applications

Applicants may revise/modify their Application details during the Issue Period, as allowed/permitted by the Stock Exchanges, by submitting a written request to a member of the Syndicate/Trading Member of the Stock Exchanges/Designated Branch of an SCSB, as the case may be. However, for the purpose of Allotment, the date of original upload of the Application will be considered in case of such revision/modification. **Revision of Applications is not permitted after the expiry of the time for acceptance of Application Forms on the Issue Closing Date.**

Depository Arrangements for Applicants Applying for Allotment in Dematerialized Form

- i. Our Company has made Depository arrangements with the Depositories for issue and holding of the Bonds in dematerialized form. Tripartite Agreements have been executed between our Company, the Registrar to the Issue and both the Depositories. As per the Depositories Act, Bonds issued by us can be held in a dematerialized form.
- ii. In this context, our Company has entered into Tripartite Agreements dated July 16, 2004 with the Registrar to the Issue and NSDL and dated September 3, 2004 with the Registrar to the Issue and CDSL, respectively for offering depository option to the Applicants.
- iii. An Applicant must have at least one beneficiary account with any of the DPs of NSDL or CDSL prior to making the Application.
- iv. The Applicant must necessarily provide the DP ID and Client ID details in the Application Form.
- v. Bonds Allotted to an Applicant in the electronic form will be credited directly to the Applicant's respective beneficiary account(s) with the DP.

- vi. Applications can be in single or joint names (not exceeding 3 names). If the Application Form is submitted in joint names, the Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the depository account held in joint names.
- vii. Non-transferable Allotment Advice/refund orders will be directly sent to the Applicant by the Registrar to the Issue.
- viii. It may be noted that Bonds in electronic form can be traded only on Stock Exchanges having electronic connectivity with NSDL or CDSL. BSE and NSE have connectivity with the Depositories.
- ix. Interest or other benefits with respect to Bonds held in dematerialized form will be paid to those Bondholders whose names appear on the list of beneficial owners provided by the Depositories to us as on Record Date. In case of those Bonds for which the beneficial owner is not identified by the Depository as on the Record Date/book closure date, our Company would keep in abeyance the payment of interest or other benefits, until such time that the beneficial owner is identified by the Depository and conveyed to our Company, whereon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 days.
- x. Trading of the Bonds on the floor of the Stock Exchanges will be in dematerialized form only.

See “- *Instructions for completing the Application Form*” on page 177.

The Bonds will cease to trade from the Record Date prior to the Maturity Date.

Trading of Bonds on the floor of the Stock Exchanges will be in dematerialized form only in multiples of one Bond.

Allottees will have the option to re-materialize the Bonds Allotted in the Issue as per the Companies Act and the Depositories Act.

Interest in case of Delay

Our Company shall pay interest in connection with any delay in Allotment, dematerialized credit and refunds, beyond the time limits prescribed under applicable statutory and/or regulatory requirements, at such rates as stipulated under applicable statutory and/or regulatory requirements.

Impersonation

See “*Terms of the Issue – Impersonation*” on page 151.

Pre-closure/Extension

Our Company, in consultation with the Lead Managers, reserves the right to close the Issue at any time prior to the Issue Closing Date. In the event of such early closure or extension of the subscription list of the Issue, our Company shall ensure that public notice of such early closure/extension is published on or before such early date of closure or the Issue Closing Date, as applicable, through advertisement(s) in a leading national daily newspaper with wide circulation. Our Company will Allot Bonds with respect to the Applications received at/until the time of such pre-closure in accordance with the Basis of Allotment as described in “*Terms of the Issue - Basis of Allotment*” on page 143.

Filing of the Prospectus with the RoC

A copy of the Prospectus will be filed with the RoC, in accordance with Companies Act.

Communications

Communications in connection with Applications made in the Issue should be addressed to the Registrar to the Issue, quoting all relevant details including the full name of the sole/first Applicant, Application Form number, Applicant’s DP ID, Client ID and PAN, number of Bonds applied for, date of the Application Form, name and

address of the relevant member of the Syndicate, Trading Member of the Stock Exchanges or Designated Branch of the SCSB, as the case may be, where the Application was submitted, and cheque/draft number and issuing bank thereof, or with respect to ASBA Applications, the ASBA Account number in which an amount equivalent to the Application Amount was blocked.

Applicants may contact our Executive Director & Company Secretary and Compliance Officer and/or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice, refunds, interest on Application Amount or credit of Bonds in the respective beneficiary accounts, as the case may be.

Grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB.

SECTION VII - MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule II of the Companies Act and the SEBI Debt Regulations, the main provisions of the Articles of Association relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of equity shares or debentures and/or their consolidation/splitting are as detailed below. Please note that each provision herein below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.

The Company is yet to undertake an amendment of its Articles of Association post notification of various provision of the Companies Act, 2013, Accordingly, any reference to Companies Act, 1956 would be construed as a reference to the corresponding provision of the Companies Act, 2013, as applicable.

5. Capital

The Share Capital of the company is ₹ 10000,00,00,000/- (Rupees ten thousand crore only) divided into 1000,00,00,000 (one thousand crore) Equity shares of Rs.10/- each.

7. Right of Members or Debenture holders to Certificate

Subject to the requirements of Listing Agreement and the bye laws of the Stock Exchanges, every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fees as the Directors may from time to time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares, as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issue and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several right holders shall be sufficient delivery to all such holders.

Provided that in case of securities held by the Members/Bond/Debenture holder in dematerialized form, no Share/Bond/Debenture Certificate(s) shall be issued.

8. Issue of new certificates in place of one defaced, lost or destroyed

If any security certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate be lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under the Articles shall be issued without payment of fees.

Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulations or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable in this behalf.

11. Company Lien on all Shares or debentures

(a) The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares /debentures and in case of partly paid shares/debentures the company's lien shall be restricted to moneys called or payable at a fixed time in respect of such shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends, bonuses and interest from time to time declared/ accrued in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares / debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.

(b) The company may sell, in such manner as the Board thinks fit, any shares or debentures on which the Company has a lien provided that no sale shall be made:

(i) Unless a sum in respect of which the lien exists is presently payable, or

(ii) Until the expiration of 14 days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or debenture or the person entitled thereto by reason of his death or insolvency.

(c)(i) To give effect to any such sale the Board may authorise some persons to transfer the shares or debenture sold the purchaser thereof.

(ii) The purchaser shall be registered as the holder of shares or debentures comprised in any such transfer.

(d)(i) The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable.

(ii) The residue, if any, shall subject to a lien for sums not presently payable as existed upon the shares or debentures before the sale be paid to the person entitled to the shares or debentures at the date of the sale.

12. Forfeiture of Shares/Debentures

(i) If a member or debenture-holder fails to pay any call or the allotment money which was deferred or kept as term deposit as a condition of subscription or installment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or allotment money or installment remains unpaid serve a notice on him requiring payment of so much call or installment as is unpaid, together with any interest which may have accrued.

(ii) The notice aforesaid shall:

(a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and

(b) state that, in the event of non-payment on or before the day so named, the shares or debentures in respect of which the call was made will be liable to be forfeited.

(c) If the requirements of any such notice as aforesaid are not complied with any share or debenture in respect of which the notice has been given, may at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.

(iii) A forfeited share or debenture may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

(iv) At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

13. Effect of Forfeiture

(i) A person whose shares or debentures have been forfeited shall cease to be member or holder in respect of the forfeited shares or debentures, but shall notwithstanding the forfeiture remain liable to pay to the Company all moneys which, at the date of forfeiture, were presently payable by him to the company in respect of the share or debenture.

(ii) The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the shares or debentures.

15. Surrender of Debentures

The Board may accept from any shareholder/debenture-holder on such terms and conditions as shall be agreed a surrender of all or any of his shares/debentures.

15A. Register and Index of Members

The Company shall cause to be kept at its Registered Office or at such other place as may be decided by the Board of Directors, the Register and Index of Members/Debenture Holders in accordance with section 150 and 151 and other applicable provisions of the Companies Act 1956 and the Depositories Act, 1996 with the details of Shares/Debentures held in physical and dematerialised form in any medium as may be permitted by law including in any form of electronic medium.

The Register and Index of Beneficial Owner maintained a Depository under section 11 of the Depository Act, 1996 shall also deemed to be the Register and Index of Members/ Debenture holders for the purpose of the Companies Act 1956 and any amendment or re-enactment thereof. The Company shall have power to keep in any State or Country outside India a Register of Members/Debenture holders for the resident, in that State or Country.

16. Transfer and Transmission of Shares/ Debentures

(a) Subject to the provisions of the Listing Agreements between the Company and the Stock Exchanges, in the event that the proper documents have been lodged, the Company shall register the transfer of securities in the name of the transferee except:

when the transferee is, in exceptional circumstances, not approved by the Directors in accordance with the provisions contained herein;

when any statutory prohibition or any attachment or prohibitory order of a competent authority restrains the Company from transferring the securities out of the name of the transferor;

when the transferor object to the transfer provided he serves on the company within a reasonable time a prohibitory order of a court of competent jurisdiction.

(b) Subject to the provisions of Section 111 and 111A of the Act, the provisions of the Listing Agreements with the Stock Exchanges and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the Company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.

(c) The instrument of transfer in case of shares/debentures held in physical form shall be in writing and all provisions of Section 108 of the Companies Act 1956 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

(d) No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, power of attorney or similar other document.

(e) A common form of transfer of shares or debentures as the case may be shall be used by the Company.

17. Register of Transfer

The Company shall keep Register of Transfer for shares and Transfer of Debentures and there-in enter the particulars of several transfer or transmission of any share or debentures.

18. Execution of transfers

The instrument of transfer of any share/or debenture in the Company shall be executed both by the transferor and transferee, and the transferor shall be deemed to remain holder of the share or debenture until the name of the transferee is entered in the register of members or debenture holders in respect thereof.

19. Transmission of Shares etc.

Nothing contained in Article 9 shall prejudice any power of company to register as shareholder or debenture holder any person to whom the right to any share or debentures in the company has been transmitted by operation of law.

19A. Nomination

(i) Every Share/Bond/Debenture holder and a Depositor under the Company's Public Deposit Scheme (Depositor) of the Company may at any time, nominate in the prescribed manner, a person to whom his Shares/Bonds/Debentures or deposits in the company shall vest in the event of his death.

(ii) Where the Shares or Bonds or Debentures or Deposits in the Company are held by more than one person jointly, the joint holder may together nominate, in the prescribed manner, a person to whom all the rights in the shares or bonds or debentures or deposits in the company, as the case may be, shall vest in the event of death of all the joint holders.

(iii) Notwithstanding anything contained in any other law for the time being in force or in disposition, whether testamentary or otherwise, in respect of such Shares/ Bonds/Debentures or Deposits in the Company, where a nomination made in the prescribed manner purport to confer on any person the right to vest the Shares/Bonds/Debentures or Deposits in the Company, the nominee shall on the death of the Share/Bond /Debenture holder or a Depositor, as the case may be, on the death of the joint holders become entitled to all the rights in such Shares/Bonds/Debentures or deposits, as the case may be, all the joint holders in relation to such Shares/Bonds/Debentures, or Deposits , to the exclusion of all persons, unless the nomination is varied, cancelled in the prescribed manner.

(iv) Where the nominee is a minor, it shall be lawful for the holder of the Shares/Bonds/Debentures or deposits, to make the nomination to appoint, in the prescribed manner, any person to become entitled to Shares/Bonds/Debentures or deposits in the Company, in the event of his death, during the minority.

19B Transmission of Securities by Nominee

A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-

(i) to be registered himself as holder of the Share/Bond/Debenture or Deposits, as the case may be; or

(ii) to make such transfer of the Share/Bond/Debenture or deposits , as the case may be, as deceased Share/Bond/Debenture holder or Depositor could have made;

(iii) if the nominee elects to be registered as holder of the Share/Bond/Debenture or Deposits, himself, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased Share/Bond/Debenture holder or Depositor, as the case may be;

(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the Share/Bond/Debenture or Deposits except that he shall not, before being registered as a member in respect of his Share/Bond/Debenture or Deposits be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Share/Bond/Debenture or Deposits, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the Share/Bond/Debenture or deposits, until the requirements of the notice have been complied with.

20. Increase of capital

Subject to provisions of the Act the Company in General Meeting, may increase the share capital by such sum to be divided into shares of such amount as the resolution shall prescribe.

20A Terms of issue of Debentures

Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.

23A. Buy Back of Shares

Notwithstanding anything contained in these Articles and in pursuance of Section 77A, 77AA and 77B of the Act, the Company, may buy-back its own shares or other specified securities as the Board of Directors may consider appropriate subject to such approvals and sanctions as may be necessary and subject to such limits, restrictions, terms and conditions, etc. as may be required under the provisions of the Act/ Regulations/ Rules applicable from time to time including the amendment(s), if any, thereto.

24. Reduction of capital

Subject to the provision of Section 100-104 of the Act the Company may from time to time, by Special resolution reduce its capital by paying off capital or cancelling capital which has been lost or is unrepresented by available assets or is superfluous or by reducing the liability on the shares or otherwise as may deem expedient, and capital may be paid off upon the footing that it may be called upon, again or otherwise, and the Board may, subject to the provisions of the act, accept surrenders of shares.

25. Sub-division and consolidation of shares

Subject to the provisions of the Act the Company in a General Meeting, may from time to time sub-divide or consolidate its shares or any of them and exercise any of the other powers conferred by Sub-Section (i) (a) to (e) of Section 94 of the Act and shall file with the Registrar such notice in exercise of any such powers as may be required by the Act.

25A. Dematerialisation of Securities

(a) Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise or rematerialise its shares, debentures and other securities (both present and future) held by it with the Depository and to offer its shares, debentures and other securities for subscription in a dematerialised form pursuant to the Depositories Act, 1996 and the Rules framed thereunder, if any;

Option for Investors

(b) Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of securities can at any time opt out of a Depository, if permitted by law, in respect of any security and the Company shall, in the manner and within the time prescribed provided by the Depositories Act, 1996 issue to the beneficial owner the required Certificates of Securities.

If a person opts to hold his security with a depository, then notwithstanding anything to the contrary contained in the Act or in these Articles, the Company shall intimate such Depository the details of allotment of the security and on receipt of the information, the Depository shall enter in its record the name of the Allottee as the beneficial owner of the security.

Securities in Depositories to be in fungible form

(c) All securities held by a Depository shall be dematerialised and shall be in fungible form. Nothing contained in Section 153 of the Act shall apply to a Depository in respect of securities held by it on behalf of the beneficial owners.

Rights of Depositories and beneficial owners

(d)(i) Notwithstanding anything to the contrary contained in the Act or in these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner.

(ii) Save as otherwise provided in (i) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.

(iii) Every person holding securities of the company and whose name is entered as the beneficial owner in the records of the Depository shall be deemed to be a member/debentureholder, as the case may be, of the Company. The beneficial owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

Service of documents

(e) Notwithstanding anything to the contrary contained in the Act or in these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

Transfer/Transmission of securities held in Demat form

(f) Nothing contained in the Act or in these Articles, shall apply to a transfer or transmission of Securities where the company has not issued any certificates and where such Shares or Debentures or Securities are being held in an electronic and fungible form in a Depository. In such cases the provisions of the Depositories Act, 1996 shall apply.

Allotment of Securities dealt with in a Depository

(g) Notwithstanding anything to the contrary contained in the Act or these Articles, after any issue where the securities are dealt with by a Depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

Distinctive numbers of Securities held in a Depository

(h) Nothing contained in the Act or in these Articles regarding the necessity of having distinctive numbers for securities issued by the Company shall apply to securities held by a Depository.

Trading of Securities in Demat Mode

(ii) Notwithstanding anything contained in these Articles the Company shall have the right to issue Securities in a public offer in dematerialized form as required by applicable laws and subject to the provisions of applicable law, trading in the Securities of the Company post-listing shall be in the demat segment of the relevant stock exchanges, in accordance with the directions of SEBI, the Stock Exchanges and the listing agreements to be entered into with the relevant Stock Exchanges.

28. Power to Borrow

Subject to the provisions of Section 58A, 292 and 293 of the Act and Government Guidelines issued from time to time, the Board may by means of resolution passed at meetings of the Board from time to time, accept deposits or borrow and/or secure the payment of any sum or sums of money for the purpose of the Company.

29. Issue at discount etc. or with special privileges

Subject to section 79 and 117 of the Act, any bonds may be issued at a discount premium or otherwise and with any special privileges as to redemption, surrender, drawings and allotments of shares.

30. Notice of General Meeting

At-least Twenty one clear days notice in writing, specifying the place day and hour of General Meetings, with a statement of the business to be transacted at the meeting shall be served on every member in the manner provided by the Act but with the consent, in writing, of all the members entitled to receive notice of same, any General Meeting may be convened by such shorter notice and in such manner as those members may think fit.

31. Omission to give notice not to invalidate a resolution passed

The accidental omission to give notice to or the non-receipt thereof by any member shall not invalidate any resolution passed at any such meeting.

32. Quorum

Five Members present in person or by duly authorised representative shall be quorum for a General Meeting of the Company.

33. Chairman of General Meeting

The Chairman of the Board of Directors or in his absence the Vice-Chairman shall be entitled to take the chair at every General Meeting but if neither the Chairman or the Vice-Chairman is present within fifteen minutes after the time appointed for holding such meeting or is unwilling to act as Chairman the members present shall choose another Director as Chairman and, if no Director shall be present or if all the Directors present decline to take the chair then the members present shall choose one of the members to be chairman.

34. Chairman's decision conclusive

The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

35. Votes

Every member entitled to vote and present in person or by proxy shall have one vote on a show of hands and upon a poll one vote for each share held by him.

35A Postal Ballot

Notwithstanding anything contained in the Articles of the Company, the Company do adopt the mode of passing resolutions by the members of the Company by means of Postal Ballot (which includes voting by electronic mode) and/or other ways as may be prescribed in the Companies (Passing of Resolutions by Postal Ballot) Rules, 2001 in respect of the matters specified in said Rules as modified from time to time instead of transacting such business in a general meeting of the company subject to compliances with the procedure for such postal ballot and/or other requirements prescribed in the rules in this regard.

39. Board of Directors

The business of the company shall be managed by the Board of Directors subject to the compliance of conditions stipulated in Department of Public Enterprises Office memorandum No. DPE/11 (2)/97-Fin dated 22nd July, 1997 as modified from time to time.

40. Number of Directors

The President shall from time to time determine the number of Directors of the company which shall not less than 4 and not more than twenty (20). These Directors may be either whole time functional Directors or part time Directors.

41. Appointment of Board of Directors

(i) (a) The Chairman shall be appointed by the President. All other members of the Board of Directors including Vice Chairman shall be appointed by the President in consultation with the Chairman of the Company. No such consultation will be necessary in case of appointment of Directors representing the Government.

(b) The Directors shall be paid such salary and/or allowances as the President may, from time to time, determine. Subject to the provisions of Section 314 of the Act, such reasonable additional remuneration as may be fixed by the President may be paid to any one or more of the Directors for extra or special services rendered by him or them or otherwise.

(ii) The Chairman will be appointed subject to such terms and conditions as may be determined by the President.

(iii) Two-thirds (any fraction to be rounded off to the next number) Directors of the Company shall be persons whose period of office shall be liable to determination by rotation and save as otherwise expressly provided in the Act, be appointed by the Company in General Meeting.

At every Annual General Meeting of the Company held next after the date of General Meeting in which first Directors are appointed, in accordance with section 255 of the Act, one-third of such Directors for the time being liable to retire by rotation or if their number is not three or a multiple of three, than the number nearest to one-third, shall retire from office.

Directors to retire by rotation at every Annual General Meeting shall be those (other than the Chairman cum Managing Director of the Company and such other non-retiring Directors, if any) who have been longest in office since their last appointment but as between persons who become Directors on the same day, those who are to retire shall, unless otherwise agreed among themselves, be determined by lot.

A retiring Director shall be eligible for re-election. The Company at the Annual General Meeting in which Director retires, may fill-up the vacated office by appointing the retiring Director or some other person thereto.

If the place of retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, at the same time and place, and if at the adjourned meeting also, the place of retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting, unless:

(I) at that meeting or at the previous meeting, a resolution for the re-appointment of such Director has been put to the meeting and lost;

(II) the retiring Director has, by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so re-appointed;

(III) he is not qualified or is disqualified for appointment;

(IV) a resolution, whether Special or Ordinary, is required for his appointment by virtue of any provisions of the Act.

(V) the proviso to sub section (2) of section 263 is applicable to the case.

(iv) A Director representing Government Department shall retire on his ceasing to be an official of that Department.

(v) The President may from time to time or any time remove any part-time Director, from office at his absolute discretion, Chairman and whole-time Directors may be removed from office in accordance with the terms of appointment or if no such terms are specified, on the expiry of 3 (three) months notice issued in writing by the President or with immediate effect on payment of the pay in lieu of the notice period.

(vi) President shall have the right to fill any vacancy of the office of the Directors including Chairman and Managing Director appointed by him, caused by removal, resignation, death or otherwise and to substitute any Director, including Chairman, in place of existing Director.

41A. Additional Directors

Subject to the provisions of Section 260 and 264 of the Act, the Board shall have power, at any time and from time to time, to appoint a person appointed by the President of India as an additional director on the Board, but such that the total number of directors shall not at any time exceed the maximum number fixed by the articles. Any director so appointed shall hold office only upto the date of next annual general meeting of the company but shall be eligible for re-appointment.

44. Matter reserved for President

Without prejudice to the generality of the other provisions contained in these Articles the Board shall reserve for the decision of the President any matter relating to:

- (i) The Company's revenue budget in case there is an element of deficit which is proposed to be met by obtaining funds from the Government.
- (ii) Winding up of the Company.
- (iii) Sale, lease, disposal or otherwise of the whole or substantially the whole of the undertaking of the company.
- (iv) The Annual and Five year Plans for Development.
- (v) Any other matter which in the opinion of the Chairman and Managing Director be of such importance as to be reserved for the approval of the President.

45. Powers of President to issue directives

Notwithstanding anything contained in all these Articles the President may from time to time issue such directives or instructions as may be considered necessary in regard to conduct of business and affairs of the company and in like manner may vary and annul any such directive or instruction. The Directors shall give immediate effect to the directives or instructions so issued. In particular, the President will have the powers:

- (i) To give directives to the Company as to the exercise and performance of its functions in matters involving national security or substantial public interest.
- (ii) To call for such returns, accounts and other information with respect to the property and activities of the company as may be required from time to time.
- (iii) To determine in consultation with the Board annual, short and long term financial and economic objectives of the company.

Provided that all directives issued by the President shall be in writing addressed to the Chairman. The Board shall except where the President considers that the interest of national security requires otherwise incorporate the contents of directives issued by the President in the annual report of the Company and also indicate its impact on the financial position of the company.

50. Who is to preside at meeting of the Board

All meetings of the Directors shall be presided over by the Chairman if present or in his absence by the Vice-Chairman if present. If at any meeting both the Chairman and Vice-Chairman are not present at the time appointed for holding the same, the Directors shall choose one of the Directors then present to preside at the meeting.

51. Board may set up Committees

The Board may, subject to the provisions of Section 292 of the Act, delegate any of their powers to Committees consisting of such member or members of their body as they think fit and they may from time to time revoke such delegation. Any committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Directors. The proceedings of such a Committee shall be placed before the Board of Directors at its next meeting or in a subsequent meeting of the Board held within a period of three months.

52. Meetings of Committees how to be governed

The meetings and proceedings of any such committee consisting of two or more members shall be governed by the provisions of the Act for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

56. The Seal and its Custody

(a) The Board of Directors shall provide a common seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The Board of Directors shall provide for the safe custody of the seal.

Issue of the Seal

(b) The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a Committee of the Board authorized by it in that behalf and except in the presence of at least two Directors and of Secretary or such other persons as the Board may appoint for the purpose and those two Directors or such other persons as aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence. A Director(s) may, however, sign a share/debenture certificate by affixing his signature(s) thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director(s) shall be responsible for the safe custody of such machine equipment or other metal used for the purpose.

59B: Capitalisation of Reserves

- (1) Subject to the provisions of the Companies Act, 1956 or Companies Act, 2013, as applicable, and upon the recommendation of the Board, members of the Company may, in any General Meeting, resolve that any amounts forming part of undivided profits (including profit or surplus arising out of realization and from the appreciation in value of any capital assets of the Company) or any amount standing to the credit of the securities premium account or any amount standing to the credit of the capital redemption reserve or standing to the credit of the general reserve or any reserve fund or any other reserve of the Company or in the hands of the Company and available for dividend, be capitalized in either of the following way:
- (a) by the issue and distribution, as fully paid-up shares, debentures or any other securities of the Company, or
 - (b) by crediting shares of the Company which may have been issued and are not fully paid-up, with the whole or any part of the sum remaining unpaid thereon.
- (2) Notwithstanding anything contained in (1) above, any amount standing in the securities premium account may be applied by the Company for any other purposes as may be permitted under the Companies Act, 1956 or Companies Act, 2013, as applicable.

66. Notice on persons acquiring shares on death or insolvency of members

A notice may be given by the Company to the persons entitled to a share in consequence of death or insolvency of a member by sending it through the post in a prepaid letter addressed to them by name or by the title or representatives of the deceased or assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied by giving the notice in any manner in which the same might have been given if the death or insolvency had not occurred.

67. Winding Up: Distribution of assets

If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that, as nearly as may be, the losses shall be borne by the members in proportion to the capital paid up at the commencement of the winding up, on the shares held by them respectively and if in a winding up, the assets available for distribution among the members shall be more than sufficient to repay the whole of the paid up capital, such assets shall be

distributed amongst the members in proportion to the original paid up capital as the shares held by them respectively. But this clause is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

69. The Director's and other's right to indemnity

(i) Subject to the provision of Section 201 (i) of the Companies Act, every Director, Manager, Auditor, Secretary or other officer or employee of the Company shall be indemnified by the Company against and it shall be duty of the Directors out of the funds of the Company to pay all costs, losses and expenses (including travelling expenses) which any such Director, Manager, officer or employee may incur or become liable to by reason of any contract entered into or act or deed done by him or them as such Director, Manager, Officer or servant or in any other way in the discharge of his duties and the amount for which such indemnity is provided shall immediately attach as a lien on the property of the Company and have priority as between the Members over all other claims.

(ii) Subject as aforesaid every Director, Manager or Officer of the Company shall be indemnified against any liability incurred by him or them in defending any proceedings whether civil or criminal in which judgement is given in his or their favour or in which he is or they are acquitted or in connection with any application under Section 633 of the act in which relief is given to him or them by the Court.

70. Not responsible for acts of others

Subject to the provision of Section 201 of the Act, no Director, Manager or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or officer, or for joining in any receipt or other act for the sake of conformity or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortious act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited or for any loss occasioned by an error of judgement or oversight on his or their part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his or their office or in relation thereto unless the same happens through his own dishonesty.

SECTION VIII – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts and documents, not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 years before the date of the Draft Prospectus, which are or may be deemed material, have been entered or are to be entered into by our Company and may be inspected at the Registered Office of our Company from 10.00 A.M. to 4.00 P.M. (Indian Standard Time) on all Working Days from the date of the Draft Prospectus until the Issue Closing Date.

MATERIAL CONTRACTS

1. Agreement dated September 4, 2015 between our Company and the Lead Managers.
2. Agreement dated September 4, 2015 between our Company and the Registrar to the Issue.
3. Bond Trustee Agreement dated September 4, 2015 between our Company and the Bond Trustee.
4. Consortium Agreement dated [●], among our Company and the Consortium.
5. Escrow Agreement dated [●], among our Company, the Lead Managers, the Registrar to the Issue and the Escrow Collection Bank(s).
6. Tripartite Agreement dated September 3, 2004, among CDSL, our Company and the Registrar to the Issue.
7. Tripartite Agreement dated July 16, 2004, among NSDL, our Company and the Registrar to the Issue.

MATERIAL DOCUMENTS


1. Memorandum and Articles of Association of our Company.
2. Board resolution dated July 30, 2015, approving the Issue and related matters including authorized signatories.
3. Shareholders' resolution dated September 5, 2014, under Section 180(1)(c) of the Companies Act 2013 on the borrowing limit.
4. Notification (No. 59/2015.F.No.178/27/2015-ITA.1) dated July 6, 2015 issued by Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India.
5. Letters dated August 13, 2015 by CRISIL Limited assigning rating of CRISIL AAA to the Bonds and and letter dated September 1, 2015 revalidating such rating.
6. Letter dated August 14, 2015 by ICRA Limited assigning rating of [ICRA]AAA(stable) to the Bonds, and letter dated September 1, 2015 revalidating such rating.
7. Letter dated September 1, 2015 by Credit Analysis and Research Limited assigning a rating of CARE AAA (Triple A) to the Bonds.
8. The statement of tax benefits dated September 9, 2015 prepared by the Joint Statutory Auditors, the Joint Statutory Auditors' limited review report dated June 30, 2015 on the standalone financial information for the 3 (three) months ended June 30, 2015, and the Joint Statutory Auditors' Reports dated September 9, 2015 on the standalone and consolidated reformatted financial information for the 5 preceding fiscals, included in this Draft Prospectus.
9. Consents of each of the Directors, Chief Financial Officer, Executive Director & Company Secretary and Compliance Officer, Lead Managers, Registrar to the Issue, Credit Rating Agencies, Joint Statutory Auditors, Bond Trustee, Consortium Members, Escrow Collection Bank(s), Refund Bank(s), Bankers to our Company and Legal Advisors to the Issue, as applicable, in their respective capacities.
10. Annual Reports of our Company for the last 5 fiscals.
11. Due Diligence Certificate dated [●], 2015 from the Lead Managers.
12. Due Diligence Certificate dated [●], 2015 from the Bond Trustee.
13. In-principle listing approval from BSE, through letter no. [●] dated [●], 2015.
14. In-principle listing approval from NSE, through letter no. [●] dated [●], 2015.

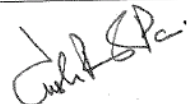
Any of the contracts or documents mentioned above may be amended or modified at any time, without notice to the Bondholders, in compliance with applicable law.

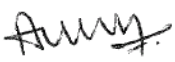
DECLARATION

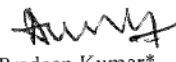
We, the Directors of the Company, certify that all applicable legal requirements in connection with the Issue, including under the Companies Act 2013 (to the extent in force) and the rules made thereunder, the Companies Act 1956 (to the extent not repealed) and the rules made thereunder, the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, the Securities Contracts (Regulation) Act, 1956 and the rules and regulations made thereunder, the Securities and Exchange Board of India Act, 1992 and the rules and regulations made thereunder, each, as amended, and rules/ regulations/ guidelines/ circulars issued by the Government of India, the Securities and Exchange Board of India and other competent authorities in this respect, from time to time, have been duly complied with and that no statement made in this Draft Prospectus contravenes any such requirements. We further certify that this Draft Prospectus does not omit disclosure of any material information that may make the statements made herein, in the light of the circumstances in which they were made, misleading and that all statements in this Draft Prospectus are true and correct in all material respects.

Signed by the Board of Directors



 Mr. Anil Kumar Jha
 Chairman and Managing Director
 Director (Technical)

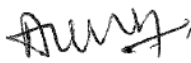

 Mr. Umesh Prasad Pani
 and Director (Human Resources)



 Mr. Prashant Mehta*
 Non-official part-time Director


 Dr. Pradeep Kumar*
 Government Nominee Director


 Mr. Subhash Chandra Pandey
 Director (Projects)


 Mr. Kulamani Biswal
 Director (Finance) and Chief Financial Officer


 Mr. Anil Kumar Singh*
 Government Nominee Director


 Mr. K.K. Sharma
 Director (Operations)

* Mr. Prashant Mehta, Dr. Pradeep Kumar and Mr. Anil Kumar Singh and through their constituted attorney, Mr. Anil Kumar Rastogi, Company Secretary.

Place: New Delhi
 Date: September 9, 2015

ANNEXURE A – FINANCIAL INFORMATION

REVIEW REPORT

To
The Board of Directors,
NTPC Limited,
New Delhi.

We have reviewed the accompanying statement of standalone unaudited financial results of NTPC Limited for the quarter ended 30th June 2015 except for the disclosures regarding ‘Public Shareholding’ and ‘Promoter and Promoter Group Shareholding’ which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company’s Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We have conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Without modifying our report, attention is invited to Note 2 (b) to the statement of standalone unaudited financial results referred to above regarding accounting of sales on provisional basis.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of standalone unaudited financial results read with notes thereon, prepared in accordance with applicable accounting standards and other recognised accounting practices and policies thereon has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For O. P. Bagla & Co.
Chartered Accountants
Firm Reg. No. 000018N

For PSD & Associates
Chartered Accountants
Firm Reg. No. 004501C

(Rakesh Kumar)
Partner
M. No. 087537

(Prakash Sharma)
Partner
M. No. 072332

For PKF Sridhar & Santhanam LLP
Chartered Accountants
Firm Reg. No. 003990S/S200018

For V. Sankar Aiyar & Co.
Chartered Accountants
Firm Reg. No. 109208W

(S.Narasimhan)
Partner
M.No.206047

(Ajay Gupta)
Partner
M. No. 090104

For Ramesh C. Agrawal & Co.
Chartered Accountants
Firm Reg. No. 001770C

For A.R. & Co.
Chartered Accountants
Firm Reg. No. 002744C

(Monika Agrawal)
Partner
M. No. 093769

(Pawan K.Goel)
Partner
M. No. 072209

Place : New Delhi
Dated : 30th July 2015

NTPC LIMITED

Statement of Standalone Unaudited Financial Results for the Quarter ended 30th June 2015

Part I		(₹ in Lakhs)			
Sl. No.	Particulars	Quarter ended 30.06.2015 (Unaudited)	Quarter ended 31.03.2015 (Unaudited)	Quarter ended 30.06.2014 (Unaudited)	Year ended 31.03.2015 (Audited)
1	2	3	4	5	6
1	Income from operations				
	(a) Net sales (net of electricity duty)	1701869	1922994	1808647	7263775
	(b) Other operating income	6589	8464	25028	60830
	Total income from operations (net)	1708458	1931458	1833675	7324605
2	Expenses				
	(a) Fuel cost	1150914	1252110	1276513	4884519
	(b) Employee benefits expense	92276	93200	91841	366978
	(c) Depreciation and amortisation expense	123795	139119	111547	491165
	(d) Other expenses	121501	121239	111875	464548
	Total expenses	1488486	1605668	1591776	6207210
3	Profit from operations before other income, finance costs and exceptional items (1-2)	219972	325790	241899	1117395
4	Other income	23872	57179	53256	211632
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	243844	382969	295155	1329027
6	Finance costs	73088	70749	66791	274362
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	170756	312220	228364	1054665
8	Exceptional items	-	-	-	-
9	Profit from ordinary activities before tax (7+8)	170756	312220	228364	1054665
10	Tax expense:				
	(a) Current tax (Refer note 3)	(42861)	24885	(1328)	32644
	(b) Deferred tax	8903	63289	9572	88875
	(c) Less: Deferred asset for deferred tax liability	8821	70357	-	95940
	Total tax expense (a+b-c)	(42779)	17817	8244	25579
11	Net profit from ordinary activities after tax (9-10)	213535	294403	220120	1029086
12	Extraordinary items (net of tax expense)	-	-	-	-
13	Net profit for the period (11-12)	213535	294403	220120	1029086
14	Paid-up equity share capital (Face value of share ₹ 10/- each)	824546	824546	824546	824546
15	Reserves excluding revaluation reserve as per balance sheet				7341189
16(i)	Earnings per share (before extraordinary items) - (of ₹ 10/- each) (not annualised) (in ₹):				
	(a) Basic	2.59	3.57	2.67	12.48
	(b) Diluted	2.59	3.57	2.67	12.48
16(ii)	Earnings per share (after extraordinary items) - (of ₹ 10/- each) (not annualised) (in ₹):				
	(a) Basic	2.59	3.57	2.67	12.48
	(b) Diluted	2.59	3.57	2.67	12.48

See accompanying notes to the financial results.

NTPC LIMITED

Part II Select Information for the Quarter ended 30th June 2015

Sl. No.	Particulars	Quarter ended 30.06.2015 (Unaudited)	Quarter ended 31.03.2015 (Unaudited)	Quarter ended 30.06.2014 (Unaudited)	Year ended 31.03.2015 (Audited)
1	2	3	4	5	6
A	PARTICULARS OF SHAREHOLDING				
1	Public shareholding				
	- Number of shares	2064849420	2064849420	2064849420	2064849420
	- Percentage of shareholding	25.04	25.04	25.04	25.04
2	Promoters and promoter group shareholding				
	a) Pledged/encumbered				
	- Number of shares	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
	b) Non-encumbered				
	- Number of shares	6180614980	6180614980	6180614980	6180614980
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	74.96	74.96	74.96	74.96

	Particulars	Quarter ended 30.06.2015
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	1
	Received during the quarter	463
	Disposed off during the quarter	463
	Remaining unresolved at the end of the quarter	1

NTPC LIMITED
Segment-wise Revenue, Results and Capital Employed for the Quarter ended 30th June 2015

(₹ in Lakhs)					
Sl. No.	Particulars	Quarter ended 30.06.2015 (Unaudited)	Quarter ended 31.03.2015 (Unaudited)	Quarter ended 30.06.2014 (Unaudited)	Year ended 31.03.2015 (Audited)
1	2	3	4	5	6
1	Segment revenue				
	- Generation	1711731	1940125	1836097	7343010
	- Others	2371	3286	2699	11289
	Total	1714102	1943411	1838796	7354299
2	Segment results (Profit before tax and interest)				
	- Generation	252496	375028	269538	1255439
	- Others	(207)	604	(117)	(445)
	Total	252289	375632	269421	1254994
	Less:				
	(i) Unallocated finance costs	73088	70749	66791	274362
	(ii) Other unallocable expenditure net of unallocable income	8445	(7337)	(25734)	(74033)
	Profit before tax	170756	312220	228364	1054665
3	Capital employed (Segment assets - Segment liabilities)				
	- Generation	8908908	8914847	8049945	8914847
	- Others	38867	82008	46138	82008
	- Un-allocated	(566277)	(831120)	705023	(831120)
	Total	8381498	8165735	8801106	8165735

The operations of the company are mainly carried out within the country and therefore, geographical segments are not applicable.

Notes:

- 1 These results have been reviewed by the Audit Committee of the Board of Directors and approved by the Board of Directors in their respective meetings held on 30th July 2015.
- 2 a) The Central Electricity Regulatory Commission (CERC) notified the Tariff Regulations, 2014 in February 2014 (Regulations, 2014). Pending issue of provisional/final tariff orders w.e.f. 1st April 2014 for all the stations, beneficiaries are billed in accordance with the tariff approved and applicable as on 31st March 2014 as provided in the Regulations 2014. The amount provisionally billed for the quarter ended 30th June 2015 on this basis is ₹ 17,71,348 lakh (corresponding previous quarter ₹ 18,91,134 lakh).

b) The Company has filed a petition before the Hon'ble High Court of Delhi contesting certain provisions of the Regulations, 2014 in March 2014. Pending issue of provisional/final tariff orders under Regulations, 2014 by the CERC and disposal of the petition, sales have been provisionally recognised at ₹ 17,81,818 lakh for the quarter ended 30th June 2015 (corresponding previous quarter ₹ 18,58,486 lakh). Pending disposal of the petition, energy charges included in sales, in respect of the coal based stations for the quarter have been recognized based on the GCV 'as received at the secondary crusher'.

c) Sales include (-) ₹ 4,302 lakh for the quarter ended 30th June 2015 (corresponding previous quarter ₹ 23,007 lakh) pertaining to previous years recognized based on the orders issued by the CERC/Appellate Tribunal for Electricity (APTEL). Sales include (-) ₹ 79,197 lakh for the quarter ended 30th June 2015 (corresponding previous quarter (-) ₹ 78,421 lakh) on account of income tax refundable to the beneficiaries as per Regulations, 2004. Sales also include ₹ 1,274 lakh for the quarter ended 30th June 2015 (corresponding previous quarter ₹ 2,952 lakh) on account of deferred tax materialized which is recoverable from beneficiaries as per Regulations, 2014.
- 3 Provision for current tax for the quarter includes tax related to earlier years amounting to (-) ₹ 84,182 lakh (corresponding previous quarter (-) ₹ 72,563 lakh).
- 4 These results have been reviewed by the Statutory Auditors as required under Clause 41 of the Listing Agreements.
- 5 Figures for the previous periods/year have been regrouped/rearranged wherever necessary.

For and on behalf of Board of Directors

Place: New Delhi
Date : 30th July 2015

(K.BISWAL)
DIRECTOR (FINANCE)

**INDEPENDENT AUDITORS' REPORT
STANDALONE REFORMATTED FINANCIAL INFORMATION**

The Board of Directors,
NTPC Limited,
Core -7, SCOPE Complex,
Lodi Road,
New Delhi – 110 003

Dear Sirs,

- We have examined the attached Standalone Reformatted Financial Information of NTPC Limited (the "Company") as approved by the official(s) authorised by a Committee of the Board of Directors, prepared in accordance with Section 26(1)(b) of Part I of Chapter III of the Companies Act, 2013 and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended ("SEBI Regulations") issued by the Securities and Exchange Board of India, in pursuance of Section 11A of the Securities and Exchange Board of India Act, 1992 as amended and related clarifications, and in accordance with our engagement letter dated August 31, 2015 and scope agreed upon with you in connection with the Draft Prospectus/Prospectus being issued by the Company for Proposed issue of Tax Free Secured Redeemable Non-convertible Bonds (the "Bonds") having benefits under section 10(15)(iv)(h) of the Income Tax Act, 1961, as amended.
- The preparation and presentation of these Standalone Reformatted Financial Information is the responsibility of Company's management. This reformatted financial information regrouped and reclassified in accordance with the Schedule III of the Companies Act, 2013 for the financial years ended March 31, 2015, 2014, 2013, 2012 and 2011 (but not restated retrospectively for change in any accounting policy) and is to be included in the Draft Prospectus/Prospectus in connection with the proposed Issue of Tax Free Bonds, having benefits under section 10(15)(iv)(h) of the Income Tax Act, 1961.

A. Financial Information as Reformatted on the basis of the Audited Financial Statements

We have examined the attached Standalone Reformatted Statement of Assets and Liabilities of the Company as at March 31, 2015, 2014, 2013, 2012 and 2011 (Annexure I) and the attached Standalone Reformatted Statements of Profit and Loss for the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (Annexure II) and the attached Standalone Reformatted Statement of Cash Flows for the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (Annexure III), which together with the related Notes to Accounts (Annexure IV) and Significant Accounting Policies and other notes to accounts (Annexure V) are herein referred to as 'Standalone Reformatted Financial Information.'

This Standalone Reformatted Financial Information has been extracted by the management from the audited financial statements of NTPC Ltd. after making such adjustments and regroupings as considered appropriate. These financial statements have been approved/adopted by the Board of Directors/members in the respective years. For our examination, we have placed reliance on the financial statements audited by the following auditors:

Name of the Auditors	Report Dated	Financial Year
M/s O.P. Bagla & Co., M/s PSD & Associates, M/s PKF Sridhar & Santhanam LLP, M/s V. Sankar Aiyar & Co., M/s Ramesh C. Agrawal & Co. and M/s A.R. & Co.	May 29, 2015	2014-15
M/s O. P. Bagla & Co., M/s K. K. Soni & Co., M/s PKF Sridhar & Santhanam, M/s V. Sankar Aiyar & Co., M/s Ramesh C. Agrawal & Co. and M/s A.R. & Co.	May 15, 2014 May 10, 2013 May 10, 2012	2013-14 2012-13 2011-12
M/s Varma and Varma, M/s B.C. Jain & Co., M/s Parakh & Co., M/s Dass Gupta & Associates, M/s S. K. Mehta & Co. and M/s K.K. Soni & Co.	May 10, 2011	2010-11



We have performed such tests and procedures, which in our opinion, were necessary for the purpose of our examination. These procedures, mainly involved comparison of the attached Standalone Reformatted Financial Information with the Company's standalone audited financial statements for the financial years ended March 31, 2015, 2014, 2013, 2012 and 2011 and reclassification as per "SEBI Regulations" and the provisions of the Companies Act, 2013.

Based on the above, we report that in our opinion and according to the information and explanations given to us, we have found the same to have been correctly extracted & reclassified and the same have been accordingly used in the Standalone Reformatted Financial Information appropriately.

We further report that;

1. The Standalone Reformatted Financial Information has been prepared in accordance with the Section 26(1)(b) of Part I of Chapter III of the Companies Act, 2013 and the SEBI Regulations.
2. These profits have been arrived at after charging all expenses including depreciation and after making such regroupings as in our opinion are appropriate and are to be read with the Notes on Accounts and Significant Accounting Policies and other notes attached thereto and forming part of the Standalone Reformatted Financial information.
3. There is no qualification in the auditors' report on the financial statements for the years ended March 31, 2015, 2014, 2013, 2012 and 2011. However, there are emphasis of matter in the auditor's reports as included in Annexure - A to this report which is to be read with Significant Accounting Policies and Notes to Accounts.
4. There are no extraordinary items that need to be disclosed separately in the Standalone Reformatted Financial Information.

B. Other Financial Information

We have examined the following Standalone Reformatted Financial Information relating to the Company proposed to be included in the Draft Prospectus/Prospectus and annexed to this report.

- i. Statement of Accounting Ratios as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (Annexure VI).
- ii. Statement of Dividend as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (Annexure VII).
- iii. Capitalisation Statement as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (Annexure VIII).
- iv. Statement of Tax Shelter as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (Annexure IX).

In our opinion, the Standalone Reformatted Financial Information of the Company and Other Financial Information, as attached to this report, as mentioned in paragraphs A and B above, read with Annexure A to our report, respective significant accounting policies and notes to accounts, after making necessary adjustments and regrouping as considered appropriate have been prepared in accordance with Section 26(1)(b) of Part I of Chapter III of the Companies Act, 2013 and SEBI Regulations.

This report is intended solely for the use of the Management and the Lead Managers and for inclusion in Draft Prospectus/Prospectus in connection with the proposed issue and not to be used, referred to or distributed for any other purpose without our prior written consent.



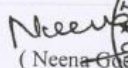
This report should neither in any way be construed as a re-issuance or redrafting of any of the previous audit reports issued by other firms of chartered accountants nor construed as a new opinion on any financial statements referred to herein.

We have no responsibility to update our report for events and circumstances occurring after the date of this report.

For T.R. Chadha & Co.

Chartered Accountants

FRN 00671


(Neena Guha)
Partner

M. No.057986



For PSD & Associates

Chartered Accountants

FRN 0045016


(Thalendra Sharma)
Partner

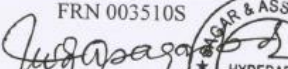
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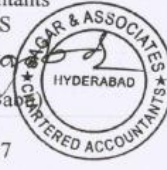
For Sagar & Associates

Chartered Accountants

FRN 003510S


(V. Vidyasagar Babu)
Partner

M. No.027357



For Kalani & Co.

Chartered Accountants

FRN 000722C


(Vikas Gupta)
Partner

M. No.077076



For P. A. & Associates

Chartered Accountants

FRN 313085E


(P.S. Panda)
Partner


M. No.051092



For S. K. Kapoor & Co.

Chartered Accountants

FRN 000745C


(Sanjay Kapoor)
Partner

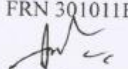
M. No.070487



For B. M. Chatrath & Co.

Chartered Accountants

FRN 301011E


(Arindam Ray)
Partner

M. No.058713



Place: New Delhi

Date : September 9, 2015

ANNEXURE - A

Emphasis of Matter/Attention Drawn in the Auditors' Report

Sl. No.	For the Year/ Period ended	Emphasis of Matter/Attention Drawn
1	31 st March 2015	We draw attention to the following matters in the Notes to the financial statements: (a) Note no. 22 (b) in respect of accounting of sales on provisional basis; (b) Note no. 34 in respect of a project where the matter is pending before the Hon'ble Supreme Court of India. Our opinion is not modified in respect of these matters.
2	31 st March 2014	Without qualifying our report, we draw attention to Note No. 32 to the financial statement in respect of accounting of fuel on GCV based pricing system.
3	31 st March 2013	Without qualifying our report, we draw attention to Note No. 33 to the financial statement in respect of accounting of fuel on GCV based pricing system.
4	31 st March 2012	Without qualifying our report, we draw attention to note no. 22 a) and 22 b) in respect of accounting of sales on provisional basis pending determination of tariff by the Central Electricity Regulatory Commission.
5	31 st March 2011	Without qualifying our report, we draw attention to note no. 2 a) and b) in respect of accounting of sales on provisional basis pending determination of tariff by the Central Electricity Regulatory Commissionthe Central Electricity Regulatory Commission.



STANDALONE REFORMATTED STATEMENT OF ASSETS AND LIABILITIES

Particulars	Note	₹ Crore				
		As at 31.03.2015	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011
EQUITY AND LIABILITIES						
Shareholders' funds						
Share capital	1	8,245.46	8,245.46	8,245.46	8,245.46	8,245.46
Reserves and surplus	2	73,411.89	77,569.86	72,142.05	65,045.71	59,646.79
		81,657.35	85,815.32	80,387.51	73,291.17	67,892.25
Deferred revenue	3	1,394.15	1,609.88	1,244.05	1,430.06	854.48
Non-current liabilities						
Long-term borrowings	4	78,532.33	62,405.75	53,253.66	45,908.27	39,735.68
Deferred tax liabilities (net)	5	979.07	1,051.61	915.30	636.90	602.95
Other long-term liabilities	6	2,886.59	2,512.46	1,969.84	1,729.06	2,050.58
Long-term provisions	7	1,115.71	879.36	739.92	603.70	561.90
		83,513.70	66,849.18	56,878.72	48,877.93	42,951.11
Current liabilities						
Trade payables	8	5,953.15	6,429.60	5,132.39	4,460.65	4,070.65
Other current liabilities	9	16,807.62	11,547.60	10,469.25	9,537.24	7,762.50
Short-term provisions	10	7,758.75	7,302.60	7,004.54	3,233.69	2,207.89
		30,519.52	25,279.80	22,606.18	17,231.58	14,041.04
TOTAL		1,97,084.72	1,79,554.18	1,61,116.46	1,40,830.74	1,25,738.88
ASSETS						
Non-current assets						
Fixed assets						
Tangible assets	11	78,586.91	71,865.86	62,687.42	45,044.47	39,026.93
Intangible assets	11	262.16	244.97	248.68	211.89	206.89
Capital work-in-progress	12	56,463.11	44,886.74	37,109.40	41,827.80	35,495.29
Intangible assets under development	12	30.38	1.93	0.02	0.06	0.04
Non-current investments	13	7,154.07	8,120.90	9,137.64	9,583.92	10,532.84
Long-term loans and advances	14	15,527.89	12,777.26	9,633.41	5,394.35	6,519.86
Other non-current assets	15	1,696.77	1,786.77	1,491.19	1,371.88	459.15
		1,59,721.29	1,39,684.43	1,20,307.76	1,03,434.37	92,241.00
Current assets						
Current investments	16	1,878.06	1,636.96	1,622.46	1,622.46	1,812.00
Inventories	17	7,453.00	5,373.35	4,057.19	3,702.85	3,639.12
Trade receivables	18	7,604.37	5,220.08	5,365.00	5,832.51	1,434.96
Cash and bank balances	19	12,878.81	15,311.37	16,867.70	16,141.83	16,181.60
Short-term loans and advances	20	2,407.59	3,116.04	1,745.57	1,543.32	1,219.85
Other current assets	21	5,141.60	9,211.95	11,150.78	8,553.40	9,210.35
		37,363.43	39,869.75	40,808.70	37,396.37	33,497.88
TOTAL		1,97,084.72	1,79,554.18	1,61,116.46	1,40,830.74	1,25,738.88

ANNEXURE - II**STANDALONE REFORMATTED STATEMENT OF PROFIT AND LOSS**

₹ Crore

Particulars	Note	For the year ended				
		31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Revenue						
Revenue from operations (gross)	22	73,915.69	72,644.02	66,263.35	62,609.41	55,340.66
Less: Electricity duty		669.64	625.09	526.31	428.65	278.01
Revenue from operations (net)		73,246.05	72,018.93	65,737.04	62,180.76	55,062.65
Other income	23	2,116.32	2,645.68	3,019.52	2,786.02	2,343.22
Total revenue		75,362.37	74,664.61	68,756.56	64,966.78	57,405.87
Expenses						
Fuel		48,845.19	45,829.71	41,018.25	41,635.46	35,373.78
Employee benefits expense	24	3,669.78	3,824.78	3,316.71	3,140.54	2,832.28
Finance costs	25	2,743.62	2,406.59	1,924.36	1,711.64	1,420.96
Depreciation and amortization expense		4,911.65	4,142.19	3,396.76	2,791.70	2,485.69
Generation, administration & other expenses	26	4,979.31	4,543.85	4,235.68	3,674.86	4,882.28
Prior period items (net)	27	(333.83)	12.84	(29.72)	(313.58)	(1,638.72)
Total expenses		64,815.72	60,759.96	53,862.04	52,640.62	45,356.27
Profit before tax and exceptional items		10,546.65	13,904.65	14,894.52	12,326.16	12,049.60
Exceptional items		-	-	1,684.11	-	-
Profit before tax		10,546.65	13,904.65	16,578.63	12,326.16	12,049.60
Tax expense						
Current tax		326.44	2,793.60	3,680.84	3,068.48	2,553.32
Deferred tax		888.75	136.31	278.40	33.95	393.69
Less:						
Deferred asset for deferred tax liability		959.40	-	-	-	-
Total tax expense		255.79	2,929.91	3,959.24	3,102.43	2,947.01
Profit for the year		10,290.86	10,974.74	12,619.39	9,223.73	9,102.59
Expenditure during construction period (net)	28					
Earnings per equity share (Par value ₹ 10/- each)						
Basic & Diluted (₹)		12.48	13.31	15.30	11.19	11.04

STANDALONE REFORMATTED STATEMENT OF CASH FLOWS

₹ Crore

For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit before tax	10,546.65	13,904.65	16,578.63	12,326.16	12,049.60
Adjustment for:					
Depreciation / Amortisation	4,911.65	4,142.19	3,396.76	2,791.70	2,485.69
Prior period depreciation / amortisation	12.12	2.35	(0.25)	(1.35)	(1,113.05)
Provisions	224.78	156.36	269.36	193.71	1,552.15
Deferred revenue on account of advance against depreciation	(283.35)	(16.05)	(9.87)	(73.58)	(818.79)
Deferred foreign currency fluctuation asset/liability	236.35	(211.93)	240.28	(874.84)	(58.48)
Deferred income from foreign currency fluctuation	(22.50)	516.36	79.56	792.00	90.46
Fly ash utilisation reserve fund	401.14	-	-	-	-
Exchange differences on translation of foreign currency cash and cash equivalents	(0.02)	(0.19)	-	-	-
Interest charges	2,702.53	2,368.33	1,902.13	1,681.75	1,383.10
Guarantee fee & other finance charges	41.09	38.26	22.23	29.89	37.86
Interest/income on term deposits/bonds/investments	(1,527.88)	(2,042.91)	(2,397.11)	(2,307.65)	(2,049.09)
Dividend income	(276.75)	(138.25)	(241.32)	(169.30)	(88.30)
Provisions written back	(186.15)	(199.87)	(907.81)	(444.39)	(7.81)
Profit on disposal of fixed assets	(4.54)	(12.86)	(4.62)	(13.28)	(8.16)
Loss on disposal of fixed assets	146.05	73.92	59.91	58.40	60.87
	6,374.52	4,675.71	2,409.25	1,663.06	1,466.45
Operating Profit before Working Capital Changes	16,921.17	18,580.36	18,987.88	13,989.22	13,516.05
Adjustment for:					
Trade receivables	(2,384.46)	144.92	1,307.69	(2,862.83)	(2,804.13)
Inventories	(1,816.80)	(1,084.66)	(157.16)	93.94	(169.75)
Trade payables, provisions and other liabilities	584.31	1,372.07	1,550.38	375.87	1,474.86
Loans & advances and other current assets	2,850.41	(724.25)	(3,298.04)	185.94	(722.49)
	(766.54)	(291.92)	(597.13)	(2,207.08)	(2,221.51)
Cash generated from operations	16,154.63	18,288.44	18,390.75	11,782.14	11,294.54
Direct taxes paid	(1,919.93)	(2,556.26)	(2,895.58)	(1,072.29)	(2,368.13)
Net Cash from Operating Activities - A	14,234.70	15,732.18	15,495.17	10,709.85	8,926.41
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of fixed assets	(17,128.27)	(16,739.70)	(16,296.65)	(10,794.44)	(9,372.27)
Disposal of fixed assets	5.69	17.66	5.44	78.76	29.42
Sale of investments	1,636.96	1,622.46	1,622.46	1,628.83	1,651.45
Investment in subsidiaries/joint ventures	(689.26)	(620.24)	(1,177.22)	(681.68)	(957.65)
Loans & advances to subsidiaries	(148.05)	27.90	(73.06)	(2.98)	6.19
Interest/income on term deposits/bonds/investments received	1,787.17	2,349.85	2,417.32	2,235.00	1,871.65
Income tax paid on interest income	(303.59)	(775.89)	(756.50)	(688.37)	(586.27)
Dividend received	276.75	138.25	241.32	169.30	88.30
Net cash used in Investing Activities - B	(14,562.60)	(13,979.71)	(14,016.89)	(8,055.58)	(7,269.18)
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from long term borrowings	23,360.37	12,366.65	11,696.96	8,736.39	9,045.79
Repayment of long term borrowings	(4,751.15)	(4,993.49)	(4,434.52)	(3,522.93)	(3,998.50)
Grants received	-	0.65	-	1.33	0.27
Security premium received	-	0.23	-	-	-
Interest paid	(5,586.31)	(4,741.40)	(3,831.50)	(3,885.12)	(3,036.94)
Guarantee fee & other finance charges paid	(104.16)	(153.56)	(114.57)	(84.18)	(62.86)
Dividend paid (including bonus debentures)	(12,368.21)	(4,947.28)	(3,504.34)	(3,545.55)	(3,133.26)
Tax on dividend (including tax on bonus debentures)	(2,428.62)	(840.79)	(564.44)	(569.02)	(518.06)
Net cash used in Financing Activities - C	(1,878.08)	(3,308.99)	(752.41)	(2,869.08)	(1,703.56)
D. Exchange differences on translation of foreign currency cash and cash equivalents	0.02	0.19	-	-	-
Net increase/decrease in cash and cash equivalents (A+B+C+D)	(2,205.96)	(1,556.33)	725.87	(214.81)	(46.33)
Cash and cash equivalents at the beginning of the year	15,311.37	16,867.70	16,141.83	16,356.64	16,402.97
Cash and cash equivalents at the end of the period	13,105.41	15,311.37	16,867.70	16,141.83	16,356.64

Note 1. Cash and cash equivalents consist of cheques, drafts, stamps in hand, balances with banks and investments in liquid mutual funds.

Note 2. Previous year figures have been regrouped/rearranged wherever considered necessary.

NOTES TO ACCOUNTS**1. Share capital**

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Equity share capital					
Authorised					
10,00,00,00,000 shares of par value ₹10/- each (previous year 10,00,00,00,000 shares of par value ₹10/- each)	<u>10,000.00</u>	<u>10,000.00</u>	<u>10,000.00</u>	<u>10,000.00</u>	<u>10,000.00</u>
Issued, subscribed and fully paid up					
8,24,54,64,400 shares of par value ₹10/- each (previous year 8,24,54,64,400 shares of par value ₹10/- each)	<u>8,245.46</u>	<u>8,245.46</u>	<u>8,245.46</u>	<u>8,245.46</u>	<u>8,245.46</u>

2. Reserves and surplus

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Capital reserve					
As per last financial statements	158.28	154.57	153.62	151.88	144.74
Add : Transfer from surplus	0.12	4.98	0.97	0.44	6.87
Grants received during the year	-	0.65	-	1.33	0.27
Less: Adjustments during the year	0.02	1.92	0.02	0.03	-
	<u>158.38</u>	<u>158.28</u>	<u>154.57</u>	<u>153.62</u>	<u>151.88</u>
Securities premium account					
As per last financial statements	2,228.34	2,228.11	2,228.11	2,228.11	2,228.11
Add : Received during the year	-	0.23	-	-	-
	<u>2,228.34</u>	<u>2,228.34</u>	<u>2,228.11</u>	<u>2,228.11</u>	<u>2,228.11</u>
Bonds redemption reserve					
As per last financial statements	2,764.91	2,535.33	2,389.04	2,231.66	1,986.72
Add : Transfer from surplus	1,156.19	576.08	492.79	482.38	494.94
Less: Transfer to surplus	296.50	346.50	346.50	325.00	250.00
	<u>3,624.60</u>	<u>2,764.91</u>	<u>2,535.33</u>	<u>2,389.04</u>	<u>2,231.66</u>
Fly ash utilization reserve fund					
As per last financial statements	-	-	-	-	-
Add: Transfer from					
NTPC Vidyut Vyapar Nigam Ltd. (NVVN)	389.16	-	-	-	-
Revenue from operations	25.17	-	-	-	-
Other income	2.52	-	-	-	-
Less: Utilised during the year					
Capital expenditure	3.71	-	-	-	-
Employee benefits expense	3.08	-	-	-	-
Other administration expenses	8.92	-	-	-	-
	<u>401.14</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Corporate social responsibility (CSR) reserve					
As per last financial statements	-	-	-	-	-
Add: Transfer from surplus	78.30	-	-	-	-
	<u>78.30</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
General reserve					
As per last financial statements	71,702.80	66,702.80	60,202.80	55,002.80	49,802.80
Add : Transfer from surplus	7,000.00	5,000.00	6,500.00	5,200.00	5,200.00
Less: Issue of bonus debentures	10,306.83	-	-	-	-
Dividend distribution tax on bonus debentures	2,060.76	-	-	-	-
Adjustment during the year	3.58	-	-	-	-
	<u>66,331.63</u>	<u>71,702.80</u>	<u>66,702.80</u>	<u>60,202.80</u>	<u>55,002.80</u>
Surplus					
As per last financial statements	715.53	521.24	72.14	32.34	29.59
Add: Profit for the year as per Statement of Profit & Loss	10,290.86	10,974.74	12,619.39	9,223.73	9,102.59
Transfer from bonds/debentures redemption reserve	296.50	346.50	346.50	325.00	250.00
Less: Transfer to bonds/debentures redemption reserve	1,156.19	576.08	492.79	482.38	494.94
Transfer to capital reserve	0.12	4.98	0.97	0.44	6.87
Transfer to CSR reserve	78.30	-	-	-	-
Transfer to general reserve	7,000.00	5,000.00	6,500.00	5,200.00	5,200.00
Dividend paid	618.42	3,298.19	3,092.07	2,885.92	2,473.63
Tax on dividend paid	123.65	560.53	501.61	465.09	410.84
Proposed dividend	1,442.96	1,442.96	1,649.09	412.27	659.63
Tax on proposed dividend	293.75	244.21	280.26	62.83	103.93
Net surplus	<u>589.50</u>	<u>715.53</u>	<u>521.24</u>	<u>72.14</u>	<u>32.34</u>
Total	<u>73,411.89</u>	<u>77,569.86</u>	<u>72,142.05</u>	<u>65,045.71</u>	<u>59,646.79</u>

3. Deferred revenue

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
On account of advance against depreciation	409.20	692.55	708.60	718.47	792.05
On account of income from foreign currency fluctuation	984.95	917.33	535.45	711.59	62.43
Total	<u>1,394.15</u>	<u>1,609.88</u>	<u>1,244.05</u>	<u>1,430.06</u>	<u>854.48</u>

4. Long-term borrowings

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Bonds					
Secured					
8.61% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2034 (Fifty First Issue C - Private Placement)	320.00	320.00	-	-	-
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹1,000/- each redeemable at par in full on 16 th December 2033 (Fiftieth Issue - Public Issue - Series 3A)	312.03	312.03	-	-	-
8.91% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2033 (Fiftieth Issue - Public Issue - Series 3B)	399.97	399.97	-	-	-
8.63% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2029 (Fifty First Issue B - Private Placement)	105.00	105.00	-	-	-
8.48% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2028 (Fiftieth Issue - Public Issue - Series 2A)	249.95	249.95	-	-	-
8.73% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2028 (Fiftieth Issue - Public Issue - Series 2B)	91.39	91.39	-	-	-
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 22 nd September 2024 (Fifty Third Issue - Private Placement).	1,000.00	-	-	-	-
9.34% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 24 th March 2024 (Fifty Second Issue - Private Placement)	750.00	750.00	-	-	-
8.19% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2024 (Fifty First Issue A - Private Placement).	75.00	75.00	-	-	-
8.41% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2023 (Fiftieth Issue - Public Issue - Series 1A)	488.02	488.02	-	-	-
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2023 (Fiftieth Issue - Public Issue - Series 1B)	208.64	208.64	-	-	-
9.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 04 th May 2023 and ending on 04 th May 2027 (Forty fourth issue - private placement)	500.00	500.00	500.00	-	-
8.48% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 1 st May 2023 (Seventeenth issue - private placement)	50.00	50.00	50.00	50.00	50.00

4. Long-term borrowings

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
8.80% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th April 2023 (Forty Ninth Issue - Private Placement)	200.00	200.00	-	-	-
8.49% Secured non-cumulative non-convertible redeemable taxable fully paid-up bonus debentures of ₹ 12.50 each redeemable at par in three annual installments of ₹ 2.50, ₹ 5.00 and ₹ 5.00 at the end of 8 th year, 9 th year and 10 th year on 25 th March 2023, 25 th March 2024 and 25 th March 2025 respectively (Fifty Fourth Issue -Bonus Debentures)	10,306.83	-	-	-	-
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 7 th March 2023 (Forty Eighth Issue - Private Placement)	300.00	300.00	300.00	-	-
9.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 25 th January 2023 and ending on 25 th January 2027 (Forty second issue - private placement)	500.00	500.00	500.00	500.00	-
8.84% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th October 2022 (Forty seventh issue - private placement)	390.00	390.00	390.00	-	-
8.93% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 19 th January 2021 (Thirty seventh issue - private placement)	300.00	300.00	300.00	300.00	300.00
8.73 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 31 st March 2020 (Thirty third issue- private placement)	195.00	195.00	195.00	195.00	195.00
8.78 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 9 th March 2020 (Thirty first issue- private placement)	500.00	500.00	500.00	500.00	500.00
11.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in five equal annual installments commencing from 6 th Nov 2019 and ending on 6 th Nov 2023 (Twenty seventh issue - private placement)	350.00	350.00	350.00	350.00	350.00
7.89% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 5 th May 2019 (Thirtieth issue - private placement)	700.00	700.00	700.00	700.00	700.00
8.65% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th February 2019 (Twenty ninth issue - private placement)	550.00	550.00	550.00	550.00	550.00
7.50% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 12 th January 2019 (Nineteenth issue - private placement)	50.00	50.00	50.00	50.00	50.00

4. Long-term borrowings

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
11% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 21 st November 2018 (Twenty eighth issue - private placement)	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
9.3473% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 20 th July 2018 and ending on 20 th July 2032 (Forty sixth issue - private placement)	75.00	75.00	75.00	-	-
9.4376% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 16 th May 2018 and ending on 16 th May 2032 (Forty fifth issue - private placement)	75.00	75.00	75.00	-	-
8.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 10 th April 2018 (Sixteenth issue -private placement)	100.00	100.00	100.00	100.00	100.00
9.2573% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 2 nd March 2018 and ending on 2 nd March 2032 (Forty third issue - private placement)	75.00	75.00	75.00	75.00	-
9.6713 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 23 rd Decemeber 2017 and ending on 23 rd December 2031 (Forty first issue - private placement)	75.00	75.00	75.00	75.00	-
9.558 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 29 th July 2017 and ending on 29 th July 2031 (Fortieth issue - private placement)	75.00	75.00	75.00	75.00	-
9.3896% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 9 th June 2017 and ending on 9 th June 2031 (Thirty ninth issue - private placement)	105.00	105.00	105.00	105.00	-

4. Long-term borrowings

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 22 nd March 2017 and ending on 22 nd March 2031 (Thirty eighth issue - private placement)	75.00	75.00	75.00	75.00	75.00
8.8086% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th December 2016 and ending on 15 th December 2030 (Thirty sixth issue - private placement)	75.00	75.00	75.00	75.00	75.00
8.785% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th September 2016 and ending on 15 th September 2030 (Thirty fifth issue - private placement)	120.00	120.00	120.00	120.00	120.00
8.71% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 10 th June 2016 and ending on 10 th June 2030 (Thirty fourth issue - private placement)	150.00	150.00	150.00	150.00	150.00
8.8493% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 25 th March 2016 and ending on 25 th March 2030 (Thirty second issue - private placement)	98.00	105.00	105.00	105.00	105.00
9.37% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty fifth issue - private placement)	214.00	285.50	357.00	428.50	500.00
9.06% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty sixth issue - private placement)	214.00	285.50	357.00	428.50	500.00

4. Long-term borrowings

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
8.6077% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 9 th September 2011 and ending on 9 th March 2021 (Twenty fourth issue - private placement)	250.00	300.00	350.00	400.00	450.00
8.3796% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 5 th August 2011 and ending on 5 th February 2021 (Twenty third issue - private placement)	250.00	300.00	350.00	400.00	450.00
8.1771% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd July 2011 and ending on 2 nd January 2021 (Twenty second issue - private placement)	250.00	300.00	350.00	400.00	450.00
7.7125% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd August 2010 and ending on 2 nd February 2020 (Twenty first issue - private placement)	400.00	500.00	600.00	700.00	800.00
7.552% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 23 rd September 2009 and ending on 23 rd March 2019 (Twentieth Issue - private placement)	150.00	200.00	250.00	300.00	350.00
5.95% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 10 th year respectively from 15 th September 2003 (Eighteenth issue - private placement)	-	-	-	100.00	200.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each with ten equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of the 6 th year and in annual installments thereafter upto the end of 15 th year respectively from 30 th April 2002 (Thirteenth issue - Part B - private placement)	150.00	225.00	300.00	375.00	450.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each redeemable at par in ten equal annual installments commencing from the end of 6 th year and upto the end of 15 th year respectively from 18 th April 2002 (Thirteenth issue -Part A - private placement)	150.00	225.00	300.00	375.00	450.00
	23,017.83	12,311.00	9,704.00	9,057.00	8,920.00
Foreign currency notes					
Unsecured					
4.375 % Fixed rate notes due for repayment on 26 th November 2024	3,159.50	-	-	-	-
4.75 % Fixed rate notes due for repayment on 3 rd October 2022	3,159.50	3,030.50	2,745.50	-	-
5.625 % Fixed rate notes due for repayment on 14 th July 2021	3,159.50	3,030.50	2,745.50	2,581.50	-

4. Long-term borrowings

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
5.875 % Fixed rate notes due for repayment on 2 nd March 2016	-	1,818.30	1,647.30	1,548.90	1,356.90
Term loans					
From Banks					
Unsecured					
Foreign currency loans	8,362.55	6,290.80	4,766.70	3,927.15	3,179.19
Rupee loans	20,835.85	18,876.32	13,884.90	9,463.52	9,439.38
From Others					
Secured					
Foreign currency loan (guaranteed by GOI)	-	-	-	99.09	256.56
Unsecured					
Foreign currency loans (guaranteed by GOI)	2,035.26	2,456.03	2,604.09	2,999.49	2,763.23
Other foreign currency loans	2,815.56	2,026.88	1,864.55	1,872.51	2,208.62
Rupee loans	11,918.65	12,503.04	13,090.55	14,358.43	11,598.76
Deposits					
Unsecured					
Fixed deposits	-	0.09	0.52	0.47	12.39
Others					
Unsecured					
Bonds application money pending allotment	-	-	200.00	-	-
Long term maturities of finance lease obligations					
Secured	-	-	0.05	0.21	0.65
Unsecured	68.13	62.29	-	-	-
Total	<u>78,532.33</u>	<u>62,405.75</u>	<u>53,253.66</u>	<u>45,908.27</u>	<u>39,735.68</u>

5. Deferred tax liabilities (net)

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Deferred tax liability					
Difference of book depreciation and tax depreciation	7,761.51	6,715.69	6,323.06	6,002.02	6,082.92
Less: Deferred tax assets					
Provisions & other disallowances for tax purposes	700.62	768.84	775.92	1,098.16	1,205.52
Disallowances u/s 43B of the Income Tax Act, 1961	462.05	392.59	333.49	329.40	323.00
	<u>6,598.84</u>	<u>5,554.26</u>	<u>5,213.65</u>	<u>4,574.46</u>	<u>4,554.40</u>
Less: Deferred asset for deferred tax liability	5,619.77	4,502.65	4,298.35	3,937.56	3,951.45
Total	<u><u>979.07</u></u>	<u><u>1,051.61</u></u>	<u><u>915.30</u></u>	<u><u>636.90</u></u>	<u><u>602.95</u></u>

6. Other long-term liabilities

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Trade payables	8.96	5.59	6.47	5.07	9.15
Deferred foreign currency fluctuation liability	257.74	151.67	135.60	134.43	96.54
Other liabilities					
Payable for capital expenditure	2,617.86	2,353.46	1,825.87	1,589.28	1,941.94
Others	2.03	1.74	1.90	0.28	2.95
Total	<u>2,886.59</u>	<u>2,512.46</u>	<u>1,969.84</u>	<u>1,729.06</u>	<u>2,050.58</u>

7. Long-term provisions

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Provision for employee benefits	<u>1,115.71</u>	<u>879.36</u>	<u>739.92</u>	<u>603.70</u>	<u>561.90</u>

8. Trade payables

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
For goods and services	<u>5,953.15</u>	<u>6,429.60</u>	<u>5,132.39</u>	<u>4,460.65</u>	<u>4,070.65</u>

9. Other current liabilities

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Current maturities of long term borrowings					
Bonds - Secured	600.00	593.00	693.00	693.00	650.00
5.875% Foreign currency fixed rate notes - Unsecured	1,895.70	-	-	-	-
From Banks					
Unsecured					
Foreign currency loans	281.82	257.84	233.59	219.64	67.44
Rupee term loans	2,540.48	1,758.56	1,753.63	1,689.85	1,446.14
From Others					
Secured					
Foreign currency loan (guaranteed by GOI)	-	-	96.44	186.38	157.91
Unsecured					
Foreign currency loans (guaranteed by GOI)	154.61	173.40	171.73	183.64	121.16
Other foreign currency loans	406.02	393.67	576.19	646.04	579.95
Rupee term loans	1,584.38	1,587.52	1,367.73	740.33	428.53
Fixed deposits	-	0.43	0.11	11.79	0.87
	<u>7,463.01</u>	<u>4,764.42</u>	<u>4,892.42</u>	<u>4,370.67</u>	<u>3,452.00</u>
Current maturities of finance lease obligations -Secured	-	0.05	0.22	0.43	0.56
Interest accrued but not due on borrowings	727.30	705.04	626.52	499.81	415.26
Unpaid dividends	14.95	14.19	15.65	11.48	10.25
Unpaid matured deposits and interest accrued thereon	0.21	0.22	0.20	0.26	0.18
Unpaid matured bonds and interest accrued thereon	0.72	0.58	0.59	0.59	0.60
Unpaid bond refund money - Tax free bonds	0.16	0.52	-	-	-
Book overdraft	546.01	2.71	17.23	2.96	4.12
Advances from customers and others	461.70	383.42	321.81	289.16	482.76
Payable for capital expenditure	6,421.73	4,540.89	3,536.35	3,503.75	2,711.99
Derivative MTM Liability	4.59	-	-	-	-
Other payables					
Tax deducted at source and other statutory dues	286.11	227.58	168.68	154.31	127.50
Deposits from contractors and others	124.85	112.01	102.67	92.92	80.26
Gratuity obligations	-	30.10	93.12	60.16	102.32
Payable to employees	318.74	271.59	452.54	318.02	229.58
Others	437.54	494.28	241.25	232.72	145.12
Total	<u><u>16,807.62</u></u>	<u><u>11,547.60</u></u>	<u><u>10,469.25</u></u>	<u><u>9,537.24</u></u>	<u><u>7,762.50</u></u>

10. Short-term provisions

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Provision for					
Employee benefits	1,174.66	1,078.98	1,423.64	1,143.84	1,170.07
Proposed dividend	1,442.96	1,442.96	1,649.09	412.27	659.63
Tax on proposed dividend	293.75	244.21	280.26	62.83	103.93
Obligations incidental to land acquisition	3,098.72	2,822.42	2,053.94	340.08	255.40
Tariff adjustment	1,243.64	1,275.70	1,316.94	1,213.70	-
Others	505.02	438.33	280.67	60.97	18.86
Total	<u>7,758.75</u>	<u>7,302.60</u>	<u>7,004.54</u>	<u>3,233.69</u>	<u>2,207.89</u>

11. Tangible Assets

₹ Crore

As at	Net Block				
	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Land (including development expenses)					
Freehold	6,523.21	5,786.94	4,060.95	2,147.32	1,861.67
Leasehold	2,666.35	1,936.22	1,286.75	518.41	392.78
Roads, bridges, culverts & helipads	594.27	450.81	380.04	339.47	360.38
Building					
Freehold					
Main plant	3,398.36	3,202.75	3,221.13	2,181.37	1,757.64
Others	1,997.11	1,666.22	1,523.01	1,403.58	1,333.40
Leasehold	18.91	20.64	22.48	25.53	28.55
Temporary erection	1.12	2.06	2.34	0.36	-
Water supply, drainage & sewerage system	363.52	341.52	330.39	309.71	316.20
MGR track and signalling system	818.82	694.47	696.03	649.30	523.71
Railway siding	519.27	394.83	268.05	223.16	152.50
Earth dam reservoir	153.88	166.19	178.58	183.25	97.66
Plant and equipment					
Owned	60,429.87	56,171.31	49,911.38	36,364.92	31,521.06
Leased	55.77	58.94	-	-	-
Furniture and fixtures	206.66	187.60	168.59	150.33	140.94
Vehicles including speedboats					
Owned	6.82	5.70	5.29	5.93	5.40
Leased	-	0.05	0.25	0.60	1.14
Office equipment	99.48	90.56	81.20	67.99	58.67
EDP, WP machines and satcom equipment	108.72	117.07	121.72	110.71	118.04
Construction equipments	90.63	77.15	73.14	66.45	67.61
Electrical installations	291.43	256.57	227.88	170.87	164.52
Communication equipments	45.51	45.79	42.57	43.84	43.63
Hospital Equipments	21.17	19.12	16.13	13.90	12.48
Laboratory and workshop equipments	50.87	41.38	34.26	25.15	18.49
Assets under 5 KM scheme of the GOI	70.76	79.13	0.52	-	-
Capital expenditure on assets not owned by the Company	54.40	52.84	34.74	42.32	50.46
Assets of government	2.81	2.81	2.81	2.84	2.84
Less:Grants from government	2.81	2.81	2.81	2.84	2.84
Assets for ash utilisation	17.30	-	-	-	-
Less: Adjusted from fly ash utilisation reserve fund	17.30	-	-	-	-
Total	78,586.91	71,865.86	62,687.42	45,044.47	39,026.93

Intangible assets

₹ Crore

As at	Net Block				
	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Software	12.78	3.98	4.33	4.73	8.86
Right of use - Land	45.67	41.14	42.95	4.01	5.17
- Others	203.71	199.85	201.40	203.15	192.86
Total	262.16	244.97	248.68	211.89	206.89

12. Capital work-in-progress

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Development of land	662.17	610.99	439.73	439.58	408.24
Roads, bridges, culverts & helipads	116.45	152.75	75.86	62.56	18.33
Piling and foundation	641.51	608.33	575.25	540.95	505.24
Buildings					
Main plant	2,728.88	2,236.75	1,440.00	2,528.06	2,404.82
Others	1,126.02	798.55	612.39	498.34	384.22
Temporary erection	44.84	29.62	6.15	9.40	7.49
Water supply, drainage and sewerage system	68.02	58.80	51.75	64.55	53.04
Hydraulic works, barrages, dams, tunnels and power channel	5,268.97	4,755.85	4,065.48	3,432.12	2,513.28
MGR track and signalling system	213.72	267.73	245.41	186.27	241.22
Railway siding	324.54	277.89	360.95	218.18	154.33
Earth dam reservoir	76.60	48.75	49.54	43.21	119.45
Plant and equipment	37,508.74	28,148.08	24,793.93	30,255.47	25,830.16
Furniture and fixtures	23.16	19.60	11.93	5.80	6.48
Vehicles	-	0.20	0.64	0.17	0.18
Office equipment	1.61	3.70	3.32	4.95	2.36
EDP/WP machines & satcom equipment	2.06	1.24	3.52	0.21	2.22
Construction equipments	1.82	0.34	0.01	0.07	0.18
Electrical installations	264.97	102.25	74.17	172.34	114.06
Communication equipment	2.19	1.64	2.71	1.74	0.27
Hospital equipments	0.13	0.34	0.15	0.38	0.19
Laboratory and workshop equipments	0.06	0.37	0.16	1.46	2.24
Assets under 5 KM scheme of the GOI	-	12.49	58.23	2.24	-
Capital expenditure on assets not owned by the company	76.37	54.08	20.67	12.04	12.74
Development of coal mines	1,086.49	636.53	376.16	279.74	195.05
	<u>50,239.32</u>	<u>38,826.87</u>	<u>33,268.11</u>	<u>38,759.83</u>	<u>32,975.79</u>
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	166.26	147.26	99.76	95.35	82.33
Difference in exchange on foreign currency loans	1,528.42	1,500.25	851.36	628.68	(280.32)
Expenditure towards diversion of forest land	-	-	233.70	164.01	153.56
Pre-commissioning expenses (net)	49.32	131.48	27.03	190.93	54.16
Expenditure during construction period (net)	4,294.56	4,183.51	3,153.10	3,461.92	2,723.74
Less: Allocated to related works	3,568.68	3,668.62	2,656.65	3,262.65	2,371.69
	<u>52,709.20</u>	<u>41,120.75</u>	<u>34,976.41</u>	<u>40,038.07</u>	<u>33,337.57</u>
Less: Provision for unserviceable works	105.99	69.22	63.79	14.80	11.27
Construction stores (net of provision)	<u>3,859.90</u>	<u>3,835.21</u>	<u>2,196.78</u>	<u>1,804.53</u>	<u>2,168.99</u>
Total	<u><u>56,463.11</u></u>	<u><u>44,886.74</u></u>	<u><u>37,109.40</u></u>	<u><u>41,827.80</u></u>	<u><u>35,495.29</u></u>
Intangible assets under development					
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Software	0.10	-	-	0.04	0.03
Exploratory wells-in-progress	37.92	9.57	7.66	7.66	7.65
	<u>38.02</u>	<u>9.57</u>	<u>7.66</u>	<u>7.70</u>	<u>7.68</u>
Less: Provision for unserviceable works	7.64	7.64	7.64	7.64	7.64
Total	<u><u>30.38</u></u>	<u><u>1.93</u></u>	<u><u>0.02</u></u>	<u><u>0.06</u></u>	<u><u>0.04</u></u>

13. Non-current investments

₹ Crore

As at		31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
	Face value per share/bond/ security					
	Current year/ (previous year) (₹)					
Long term - Trade						
Equity instruments (fully paid up - unless otherwise stated)						
Quoted						
PTC India Ltd.	10 (10)	12.00	12.00	12.00	12.00	12.00
		12.00	12.00	12.00	12.00	12.00
Unquoted						
Subsidiary companies						
NTPC Electric Supply Company Ltd.	10 (10)	0.08	0.08	0.08	0.08	0.08
NTPC Vidyut Vyapar Nigam Ltd.	10 (10)	20.00	20.00	20.00	20.00	20.00
NTPC Hydro Ltd.	10 (10)	-	-	121.36	121.36	113.96
Less: Provision for permanent diminution		-	-	8.14	8.14	-
		-	-	113.22	113.22	113.96
Kanti Bijlee Utpadan Nigam Ltd.	10 (10)	650.00	473.00	357.15	342.74	57.15
Bhartiya Rail Bijlee Company Ltd.	10 (10)	1,172.61	774.15	509.46	509.46	355.20
		1,842.69	1,267.23	999.91	985.50	546.39
Share application money pending allotment in						
NTPC Hydro Ltd.		-	-	0.20	0.20	0.50
Kanti Bijlee Utpadan Nigam Ltd.		-	39.51	25.65	14.41	164.73
Bhartiya Rail Bijlee Company Ltd. (* ₹ 39,000/-)		-	60.66	*	*	154.26
		-	100.17	25.85	14.61	319.49
Joint venture companies						
Utility Powertech Ltd.	10 (10)	1.00	1.00	1.00	1.00	1.00
NTPC-Alstom Power Services Private Ltd.	10 (10)	3.00	3.00	3.00	3.00	3.00
NTPC-SAIL Power Company Private Ltd.	10 (10)	490.25	490.25	490.25	475.25	475.25
NTPC-Tamil Nadu Energy Company Ltd.	10 (10)	1,325.61	1,265.61	1,143.61	844.00	581.00
Ratnagiri Gas & Power Private Ltd.	10 (10)	974.30	974.30	974.30	776.90	692.90
Aravali Power Company Private Ltd.	10 (10)	1,257.51	1,257.51	1,159.51	1,089.51	658.52
NTPC-SCCL Global Ventures Private Ltd.	10 (10)	0.05	0.05	0.05	0.05	0.05
NTPC BHEL Power Projects Private Ltd.	10 (10)	50.00	50.00	25.00	25.00	25.00
Meja Urja Nigam Private Limited	10 (10)	412.43	412.43	378.79	107.43	73.43
BF-NTPC Energy Systems Ltd.	10 (10)	5.88	5.88	5.88	5.88	5.88
Less: Provision for permanent diminution		3.35	-	-	-	-
		2.53	5.88	5.88	5.88	5.88

As at		31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
	Face value per share/bond/security					
	Current year/(previous year) (₹)					
National Power Exchange Ltd.	10 (10)	2.19	2.19	2.19	2.19	2.19
Less: Provision for permanent diminution		1.06	1.06	1.04	-	-
		1.13	1.13	1.15	2.19	2.19
Nabinagar Power Generating Company Private Ltd.	10 (10)	511.13	470.13	153.00	153.00	153.00
Transformers and Electricals Kerala Ltd.	10 (10)	31.34	31.34	31.34	31.34	31.34
National High Power Test Laboratory Private Ltd.	10 (10)	23.90	14.88	11.06	2.62	2.62
International Coal Ventures Private Ltd.	10 (10)	1.40	1.40	1.40	1.40	1.40
Energy Efficiency Services Ltd.	10 (10)	22.50	22.50	22.50	0.63	0.63
CIL NTPC Urja Private Ltd.	10 (10)	0.03	0.03	0.03	0.03	-
Anushakti Vidhyut Nigam Ltd.	10 (10)	0.05	0.05	0.05	0.05	-
Pan-Asian Renewables Private Ltd.	10 (10)	1.50	1.50	0.50	0.50	-
Less: Provision for permanent diminution		1.28	-	-	-	-
		0.22	1.50	0.50	0.50	-
Trincomalee Power Company Ltd. (* Srilankan rupees)	100* (100*)	9.26	6.72	6.72	6.72	-
Bangladesh-India Friendship Power Company Pvt. Ltd. (* Bangladeshi rupees)	100* (100*)	15.53	6.12	-	-	-
		5,133.17	5,015.83	4,409.14	3,526.50	2,707.21
Share application money pending allotment in						
NTPC-Tamilnadu Energy Company Ltd.		-	59.99	-	55.00	60.00
Aravali Power Company Private Ltd. (* ₹ 60,000/-)		21.34	14.17	49.01	*	318.96
Meja Urja Nigam Private Ltd.		128.92	-	33.64	5.00	11.00
Nabinagar Power Generating Company Pvt. Ltd.		-	-	317.12	50.00	-
CIL NTPC Urja Private Ltd.		0.05	0.05	0.05	0.05	0.08
Bangladesh-India Friendship Power Company Pvt. Ltd.		15.90	-	-	-	-
Energy Efficiency Services Ltd.		-	-	2.50	24.38	24.38
		166.21	74.21	402.32	134.43	414.42
Cooperative societies						
		#	#	#	#	#
Bonds (fully paid up)						
Unquoted						
8.50 % Tax-Free State Government Special Bonds of the Government of						
Andhra Pradesh	1000 (1000)	-	126.07	252.13	378.20	504.26
Assam	1000 (1000)	-	5.15	10.29	15.44	20.58
Bihar	1000 (1000)	-	189.44	378.88	568.32	757.76
Chattisgarh	1000 (1000)	-	48.32	96.64	144.97	193.29
Gujarat	1000 (1000)	-	83.72	167.45	251.17	334.90
Haryana	1000 (1000)	-	107.50	215.00	322.50	430.00

As at		31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
	Face value per share/bond/ security					
	Current year/ (previous year) (₹)					
Himachal Pradesh	1000 (1000)	-	3.34	6.68	10.02	13.35
Jammu and Kashmir	1000 (1000)	-	36.74	73.47	110.21	146.94
Jharkhand	1000 (1000)	-	96.01	192.03	288.04	384.05
Kerala	1000 (1000)	-	100.24	200.48	300.72	400.96
Madhya Pradesh	1000 (1000)	-	83.08	166.17	249.25	332.34
Maharashtra	1000 (1000)	-	38.14	76.28	114.42	152.56
Orissa	1000 (1000)	-	110.29	220.57	330.86	441.15
Punjab	1000 (1000)	-	34.62	69.25	103.87	138.49
Rajasthan	1000 (1000)	-	29.00	43.50	43.50	43.50
Sikkim	1000 (1000)	-	3.42	6.84	10.26	13.68
Uttar Pradesh	1000 (1000)	-	398.99	797.98	1,196.97	1,595.96
Uttaranchal	1000 (1000)	-	39.97	79.93	119.89	159.86
West Bengal	1000 (1000)	-	117.42	234.85	352.27	469.70
		-	1,651.46	3,288.42	4,910.88	6,533.33
Total			7,154.07	8,120.90	9,137.64	10,532.84

Equity shares of ₹ 30,200/- (previous year ₹ 30,200/-) held in various Company's employees co-operative societies.

14. Long-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Capital advances					
Secured	16.48	18.99	58.88	17.24	17.36
Unsecured					
Covered by bank guarantee	4,050.18	4,370.63	3,775.96	1,059.69	1,673.50
Others	3,654.03	4,255.36	3,092.47	1,776.16	1,084.44
Considered doubtful	2.06	2.59	2.54	2.16	2.21
Less: Allowance for bad & doubtful advances	2.06	2.59	2.54	2.16	2.21
	<u>7,720.69</u>	<u>8,644.98</u>	<u>6,927.31</u>	<u>2,853.09</u>	<u>2,775.30</u>
Security deposits (unsecured)	<u>89.78</u>	<u>74.18</u>	<u>82.84</u>	<u>84.35</u>	<u>126.08</u>
Loans					
Related parties					
Unsecured	-	0.01	0.03	0.05	0.07
Employees (including accrued interest)					
Secured	401.59	402.07	395.88	377.60	303.17
Unsecured	137.84	140.50	142.74	136.89	171.16
Loan to state government in settlement of dues from customers (Unsecured)	47.86	143.59	239.31	335.04	478.63
Others					
Secured	35.00	40.00	14.29	21.42	28.57
Unsecured	3.17	4.88	8.86	13.43	18.00
	<u>625.46</u>	<u>731.05</u>	<u>801.11</u>	<u>884.43</u>	<u>999.60</u>
Advances					
Contractors & suppliers, including material issued on loan					
Unsecured	2,278.48	607.52	65.58	49.86	0.98
Advance tax & tax deducted at source	11,692.79	9,434.36	11,460.19	10,116.58	9,789.49
Less: Provision for current tax	6,879.31	6,714.83	9,703.62	8,593.96	7,171.59
	<u>4,813.48</u>	<u>2,719.53</u>	<u>1,756.57</u>	<u>1,522.62</u>	<u>2,617.90</u>
Total	<u>15,527.89</u>	<u>12,777.26</u>	<u>9,633.41</u>	<u>5,394.35</u>	<u>6,519.86</u>

15. Other non-current assets

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Deferred foreign currency fluctuation asset	1,230.49	1,360.77	1,132.77	1,371.88	459.15
Claims recoverable	466.28	426.00	358.42	-	-
Total	<u>1,696.77</u>	<u>1,786.77</u>	<u>1,491.19</u>	<u>1,371.88</u>	<u>459.15</u>

16. Current investments

		₹ Crore				
As at		31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
	Face value per bond/ security					
	Current year/ (previous year) (₹)					
Trade						
Current maturities of long term investments						
Bonds (fully-paid up)						
Unquoted						
8.50 % Tax-Free State Government Special Bonds of the Government of						
Andhra Pradesh	1000 (1000)	126.07	126.07	126.07	126.07	126.07
Assam	1000 (1000)	5.15	5.15	5.15	5.15	5.15
Bihar	1000 (1000)	189.44	189.44	189.44	189.44	189.44
Chattisgarh	1000 (1000)	48.32	48.32	48.32	48.32	48.32
Gujarat	1000 (1000)	83.73	83.73	83.73	83.73	83.73
Haryana	1000 (1000)	107.50	107.50	107.50	107.50	107.50
Himachal Pradesh	1000 (1000)	3.34	3.34	3.34	3.34	3.34
Jammu and Kashmir	1000 (1000)	36.74	36.74	36.74	36.74	36.74
Jharkhand	1000 (1000)	96.01	96.01	96.01	96.01	96.01
Kerala	1000 (1000)	100.24	100.24	100.24	100.24	100.24
Madhya Pradesh	1000 (1000)	83.08	83.08	83.08	83.08	83.08
Maharashtra	1000 (1000)	38.14	38.14	38.14	38.14	38.14
Orissa	1000 (1000)	110.29	110.29	110.29	110.29	110.29
Punjab	1000 (1000)	34.62	34.62	34.62	34.62	34.62
Rajasthan	1000 (1000)	29.00	14.50	-	-	14.50
Sikkim	1000 (1000)	3.42	3.42	3.42	3.42	3.42
Uttar Pradesh	1000 (1000)	398.99	398.99	398.99	398.99	398.99
Uttaranchal	1000 (1000)	39.96	39.96	39.96	39.96	39.96
West Bengal	1000 (1000)	117.42	117.42	117.42	117.42	117.42
		1,651.46	1,636.96	1,622.46	1,622.46	1,636.96
Investment in mutual funds (unquoted)						
Canara Robeco Liquid Fund - Super IP - DDR		-	-	-	-	175.04
UTI Liquid Cash Plan-IP-Direct-DDR		151.36	-	-	-	-
IDBI Liquid Fund-Direct-DDR		75.24	-	-	-	-
		226.60	-	-	-	175.04
Total		1,878.06	1,636.96	1,622.46	1,622.46	1,812.00

17. Inventories

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Coal	3,827.37	1,957.45	885.62	1,096.14	1,255.50
Fuel oil	344.06	337.51	364.99	234.65	191.22
Naphtha	139.81	119.81	146.77	119.04	117.37
Stores and spares	2,631.31	2,493.77	2,210.19	1,899.57	1,741.25
Chemicals & consumables	66.21	62.66	73.51	44.47	45.81
Loose tools	7.22	6.55	5.70	5.65	5.48
Steel scrap	20.59	22.15	20.96	16.54	16.50
Others	502.21	446.09	413.40	347.35	319.03
	<u>7,538.78</u>	<u>5,445.99</u>	<u>4,121.14</u>	<u>3,763.41</u>	<u>3,692.16</u>
Less: Provision for shortages	4.48	2.17	1.87	1.86	2.34
Provision for obsolete/unserviceable items/ diminution in value of surplus inventory	81.30	70.47	62.08	58.70	50.70
Total	<u><u>7,453.00</u></u>	<u><u>5,373.35</u></u>	<u><u>4,057.19</u></u>	<u><u>3,702.85</u></u>	<u><u>3,639.12</u></u>

18. Trade receivables

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Outstanding for a period exceeding six months from the date they are due for payment					
Unsecured, considered good	17.19	5.91	59.41	18.61	4.35
Considered doubtful	0.20	0.03	0.03	840.70	840.84
	<u>17.39</u>	<u>5.94</u>	<u>59.44</u>	<u>859.31</u>	<u>845.19</u>
Others					
Unsecured, considered good	7,587.18	5,214.17	5,305.59	5,813.90	1,430.61
	<u>7,604.57</u>	<u>5,220.11</u>	<u>5,365.03</u>	<u>6,673.21</u>	<u>2,275.80</u>
Less: Allowance for bad & doubtful receivables	0.20	0.03	0.03	840.70	840.84
Total	<u><u>7,604.37</u></u>	<u><u>5,220.08</u></u>	<u><u>5,365.00</u></u>	<u><u>5,832.51</u></u>	<u><u>1,434.96</u></u>

19. Cash and bank balances

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Cash & cash equivalents					
Balances with banks					
Current accounts	189.41	62.95	286.21	432.33	284.93
Deposits with original maturity upto three months	-	-	-	300.00	-
Cheques & drafts on hand	59.66	61.50	64.97	0.43	0.31
Balance with Reserve Bank of India	30.80	30.79	29.03	29.03	30.67
Others (stamps on hand)	0.12	0.08	0.09	0.10	0.05
Other bank balances					
Deposits with original maturity of more than three months but maturing within twelve months	12,434.57	15,141.27	16,469.97	15,357.98	15,847.23
Earmarked balances with banks	164.25	14.78	17.43	21.96	18.41
Total	<u>12,878.81</u>	<u>15,311.37</u>	<u>16,867.70</u>	<u>16,141.83</u>	<u>16,181.60</u>

20. Short-term loans and advances (Considered good, unless otherwise stated)

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Loans					
Related parties					
Unsecured	0.01	0.03	0.04	0.03	0.04
Employees (including accrued interest)					
Secured	76.40	77.38	76.27	69.92	52.05
Unsecured	94.62	94.46	90.86	83.12	82.79
Considered doubtful	0.02	-	-	-	0.25
Loan to state government in settlement of dues from customers					
Unsecured	95.73	95.73	95.73	95.73	95.73
Others					
Secured	5.00	10.00	35.71	28.58	25.14
Unsecured	0.86	3.71	35.99	3.71	0.02
Less: Allowance for bad & doubtful loans	0.02	-	-	-	0.25
	<u>272.62</u>	<u>281.31</u>	<u>334.60</u>	<u>281.09</u>	<u>255.77</u>
Advances					
Related parties					
Unsecured	7.37	3.54	3.40	1.64	2.27
Employees					
Unsecured	11.52	10.22	8.59	9.09	11.60
Considered doubtful	0.03	0.03	0.11	0.08	0.08
Contractors & suppliers					
Secured	-	-	6.71	5.60	2.24
Unsecured	983.88	1,746.93	533.85	821.51	719.03
Considered doubtful	1.59	2.31	1.51	1.57	0.38
Others					
Unsecured	375.43	181.01	202.64	105.52	169.05
Considered doubtful	-	0.02	0.02	0.02	-
Less: Allowance for bad & doubtful advances	1.62	2.36	1.64	1.67	0.46
	<u>1,378.20</u>	<u>1,941.70</u>	<u>755.19</u>	<u>943.36</u>	<u>904.19</u>
Security deposits (unsecured)	756.77	893.03	655.78	318.87	59.89
Total	<u><u>2,407.59</u></u>	<u><u>3,116.04</u></u>	<u><u>1,745.57</u></u>	<u><u>1,543.32</u></u>	<u><u>1,219.85</u></u>

21. Other current assets

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Interest accrued on					
Bonds	105.28	174.24	243.19	312.14	382.33
Term deposits	396.02	586.35	824.34	775.60	608.35
Others	36.43	46.52	23.95	18.56	43.52
	<u>537.73</u>	<u>807.11</u>	<u>1,091.48</u>	<u>1,106.30</u>	<u>1,034.20</u>
Claims recoverable					
Unsecured, considered good	2,074.46	1,743.26	4,418.99	1,822.51	1,640.38
Considered doubtful	13.40	13.77	13.05	13.31	12.99
Less: Allowance for doubtful claims	13.40	13.77	13.05	13.31	12.99
	<u>2,074.46</u>	<u>1,743.26</u>	<u>4,418.99</u>	<u>1,822.51</u>	<u>1,640.38</u>
Unbilled revenue	2,502.33	6,646.93	5,624.27	5,616.10	6,528.55
Assets held for disposal	2.12	2.60	2.96	2.00	2.14
Hedging cost recoverable	4.59	-	-	-	-
Others	20.37	12.05	13.08	6.49	5.08
Total	<u><u>5,141.60</u></u>	<u><u>9,211.95</u></u>	<u><u>11,150.78</u></u>	<u><u>8,553.40</u></u>	<u><u>9,210.35</u></u>

22. Revenue from operations (gross)

	₹ Crore				
For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Energy sales (including electricity duty)	73,197.61	72,115.06	64,715.88	61,430.85	54,982.56
Consultancy, project management and supervision fee	109.78	112.66	126.81	142.69	169.45
	<u>73,307.39</u>	<u>72,227.72</u>	<u>64,842.69</u>	<u>61,573.54</u>	<u>55,152.01</u>
Sale of fly ash / ash products	25.17	-	-	-	-
Less: Transferred to fly ash utilisation reserve fund	<u>25.17</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	-	-	-	-	-
Energy internally consumed	86.21	83.39	76.73	80.75	64.68
Other operating revenues					
Interest from customers	332.82	131.48	432.60	510.57	116.16
Recognized from deferred foreign currency fluctuation liability	3.12	1.56	3.52	0.16	-
Provisions written back					
Tariff adjustments	180.16	162.56	63.11	441.28	-
Doubtful debts	-	-	840.67	0.14	-
Others	5.99	37.31	4.03	2.97	7.81
	<u>186.15</u>	<u>199.87</u>	<u>907.81</u>	<u>444.39</u>	<u>7.81</u>
Total	<u><u>73,915.69</u></u>	<u><u>72,644.02</u></u>	<u><u>66,263.35</u></u>	<u><u>62,609.41</u></u>	<u><u>55,340.66</u></u>

23. Other income

₹ Crore

For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Interest from					
Long-term investments					
Government securities (8.5% tax free bonds)	245.04	382.95	520.86	659.38	799.76
Others					
Loan to state government in settlement of dues from customers (8.5% tax free)	18.31	26.44	34.58	42.72	50.85
Loan to subsidiary companies	1.04	1.69	2.37	3.03	3.16
Loan to employees	31.13	30.67	28.84	25.31	20.45
Contractors	49.67	44.57	36.25	32.88	19.86
Deposits with banks/Reserve Bank of India	1,263.49	1,600.15	1,839.30	1,602.52	1,195.32
Deposits with banks out of fly ash utilisation reserve fund	0.92	-	-	-	-
Less: Transferred to fly ash utilisation reserve fund	0.92	-	-	-	-
	-	-	-	-	-
Income tax refunds	36.40	154.54	39.41	99.89	-
Less: Refundable to beneficiaries	36.40	80.53	0.02	34.47	-
	-	74.01	39.39	65.42	-
Others	20.71	9.12	8.22	12.02	16.56
Dividend from					
Long-term investments in					
Subsidiaries	26.00	-	25.00	19.00	14.00
Joint ventures	90.61	71.98	101.86	58.36	19.69
Equity instruments	2.40	1.92	1.80	1.80	1.44
Current investments in					
Mutual funds	157.74	64.35	112.66	90.14	53.17
Current investments in mutual funds out of fly ash utilisation reserve fund	1.60	-	-	-	-
Less: Transferred to fly ash utilisation reserve fund	1.60	-	-	-	-
	-	-	-	-	-
Other non-operating income					
Surcharge received from beneficiaries	49.97	76.66	87.75	1.16	10.81
Hire charges for equipment	4.01	3.13	4.28	3.23	2.59
Net gain in foreign currency transactions & translations	128.38	51.33	27.90	61.25	31.34
Sale of scrap	80.18	83.13	89.06	80.08	57.98
Liquidated damages recovered	10.90	12.89	11.82	7.13	7.15
Profit on redemption of current investments	-	28.53	-	-	-
Net gain on sale of current investments	-	3.15	0.18	-	-
Miscellaneous income	134.10	172.10	117.82	111.67	87.24
Profit on disposal of fixed assets	4.54	12.86	4.62	13.28	8.16
	2,318.22	2,751.63	3,094.56	2,890.38	2,399.53
Less: Transferred to expenditure during construction period (net) - Note 28	83.22	47.46	38.84	40.16	24.91
Transferred to development of coal mines	5.62	7.16	8.30	2.95	0.06
Transferred to deferred foreign currency fluctuation asset/liability	113.06	51.33	27.90	61.25	31.34
Total	2,116.32	2,645.68	3,019.52	2,786.02	2,343.22

24. Employee benefits expense

	₹ Crore				
For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Salaries and wages	3,522.61	3,323.71	3,283.99	3,213.98	2808.00
Contribution to provident and other funds	520.45	999.36	546.49	298.81	337.83
Staff welfare expenses	577.50	444.47	355.00	297.58	293.44
	<u>4,620.56</u>	<u>4,767.54</u>	<u>4,185.48</u>	<u>3,810.37</u>	<u>3,439.27</u>
Less: Allocated to fuel cost	208.03	240.16	193.58	166.32	171.79
Transferred to development of coal mines	38.53	41.10	34.31	32.00	28.98
Transferred to fly ash utilisation reserve fund	15.75	15.48	-	-	-
Reimbursements for employees on deputation	67.62	43.21	99.25	3.63	1.43
Transferred to expenditure during construction period (net)- Note 28	620.85	602.81	541.63	467.88	404.79
Total	<u><u>3,669.78</u></u>	<u><u>3,824.78</u></u>	<u><u>3,316.71</u></u>	<u><u>3,140.54</u></u>	<u><u>2,832.28</u></u>

25. Finance costs

₹ Crore

For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Interest on					
Bonds	1,182.58	961.67	900.87	831.50	805.35
Foreign currency term loans	244.32	253.96	235.33	205.71	177.52
Rupee term loans	3,635.60	3,056.24	2,753.01	2,335.70	1,703.92
Public deposits	0.03	0.05	0.16	1.24	1.24
Foreign currency bonds/notes	542.72	521.77	345.91	184.32	162.75
Others	3.32	26.23	73.14	60.99	75.85
	<u>5,608.57</u>	<u>4,819.92</u>	<u>4,308.42</u>	<u>3,619.46</u>	<u>2,926.63</u>
Other borrowing costs					
Guarantee fee	31.55	33.50	39.84	37.67	35.57
Management/Arrangers fee	40.48	16.41	36.24	10.97	25.92
Foreign currency bonds/notes expenses	17.28	1.07	6.05	17.10	-
Others	14.85	102.58	32.44	18.44	1.37
	<u>104.16</u>	<u>153.56</u>	<u>114.57</u>	<u>84.18</u>	<u>62.86</u>
Exchange differences regarded as an adjustment to interest costs					
	-	-	(350.21)	350.21	174.16
	<u>5,712.73</u>	<u>4,973.48</u>	<u>4,072.78</u>	<u>4,053.85</u>	<u>3,163.65</u>
Less: Transferred to expenditure during construction period (net) - Note 28	2,881.28	2,488.85	2,101.90	2,308.47	1,735.09
Transferred to development of coal mines	87.83	78.04	46.52	33.74	7.60
Total	<u><u>2,743.62</u></u>	<u><u>2,406.59</u></u>	<u><u>1,924.36</u></u>	<u><u>1,711.64</u></u>	<u><u>1,420.96</u></u>

26. Generation, administration & other expenses

₹ Crore

For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Power charges	191.48	249.73	172.89	224.33	144.04
Less: Recovered from contractors & employees	24.67	20.07	18.47	17.73	15.93
	166.81	229.66	154.42	206.60	128.11
Water charges	488.86	450.92	488.67	329.59	294.48
Stores consumed	48.34	47.60	46.35	45.24	31.33
Rent	37.02	30.66	28.38	26.33	22.21
Less: Recoveries	9.57	8.05	7.83	8.13	6.81
	27.45	22.61	20.55	18.20	15.40
Load dispatch centre charges	37.24	144.40	41.66	42.93	98.35
Repairs & maintenance					
Buildings	194.92	189.92	170.91	146.00	125.29
Plant & machinery	2029.22	1849.83	1,782.45	1,529.24	1273.14
Others	137.03	127.63	105.91	93.67	97.05
Insurance	123.08	116.76	104.62	97.29	91.87
Interest to beneficiaries	98.11	59.37	5.72	(67.57)	3.61
Rates and taxes	46.64	34.00	33.54	23.84	24.10
Water cess & environment protection cess	34.90	38.13	35.44	25.50	38.46
Training & recruitment expenses	26.23	28.68	24.32	30.23	26.82
Less: Receipts	1.29	3.30	1.56	1.31	4.77
	24.94	25.38	22.76	28.92	22.05
Communication expenses	43.64	43.50	43.88	37.75	35.08
Travelling expenses	204.93	196.88	182.76	171.36	149.85
Tender expenses	36.09	30.62	21.46	21.71	24.48
Less: Receipt from sale of tenders	2.82	3.13	2.96	2.22	2.75
	33.27	27.49	18.50	19.49	21.73
Payment to auditors	3.96	3.32	3.01	2.74	2.87
Advertisement and publicity	19.74	14.54	13.31	12.23	13.78
Security expenses	421.48	369.75	327.23	290.96	244.68
Entertainment expenses	22.43	14.26	13.88	13.16	12.83
Expenses for guest house	23.25	21.68	18.94	16.40	13.80
Less: Recoveries	2.93	2.80	2.67	2.18	1.34
	20.32	18.88	16.27	14.22	12.46
Education expenses	36.24	37.69	9.31	10.02	25.41
Community development and welfare expenses	125.91	92.90	84.79	58.32	79.48
Less: Grants-in-aid	0.00	0.93	0.39	0.24	0.43
	125.91	91.97	84.40	58.08	79.05
Donation	0.00	0.15	0.14	(0.10)	-
Ash utilisation & marketing expenses	10.32	12.63	10.83	5.72	1.77
Directors sitting fee	0.47	0.45	0.30	0.25	0.28
Professional charges and consultancy fee	28.53	142.95	28.40	30.19	39.39
Legal expenses	38.27	31.13	27.12	15.27	12.29
EDP hire and other charges	18.05	17.70	14.53	14.41	15.69
Printing and stationery	12.17	13.65	12.36	11.56	12.22
Oil & gas exploration expenses	29.63	3.41	8.78	14.34	3.64
Hiring of vehicles	74.20	66.05	55.23	47.08	43.10
Rebate to customers & reimbursement of LC charges on sales realization	603.42	559.98	522.31	636.97	716.24
Net loss in foreign currency transactions & translations	6.22	17.50	5.07	35.31	6.50
Cost of Hedging	8.95	1.89	-	-	-
Horticulture expenses	30.61	26.46	22.73	18.87	14.85
Hire charges of helicopter / aircraft	12.37	12.74	13.21	11.63	8.26
Hire charges of construction equipments	8.95	10.86	14.18	8.73	4.22

26. Generation, administration & other expenses

₹ Crore

For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Transport vehicle running expenses	7.89	8.78	8.50	7.17	8.15
Miscellaneous expenses	75.25	65.41	58.51	63.96	46.94
Loss on disposal/write-off of fixed assets	146.05	73.92	59.91	58.40	60.87
	5,500.81	5,220.15	4,587.66	4,129.22	3,835.39
Less: Allocated to fuel cost	342.67	305.49	281.84	236.11	210.46
Transferred to development of coal mines	19.05	129.63	13.62	12.92	14.11
Transferred to deferred foreign currency fluctuation asset/liability	6.22	2.98	1.51	15.65	-
Transferred to hedging cost recoverable from beneficiaries	4.59	-	-	-	-
Transferred to fly ash utilisation reserve fund / Transfer to NVVN for reimbursement from fly ash utilisation fund	19.68	19.41	5.67	1.56	0.36
Transferred to expenditure during construction period (net) - Note 28	354.07	375.15	318.70	381.83	280.33
	4,754.53	4,387.49	3,966.32	3,481.15	3,330.13
Provisions for					
Tariff adjustments	148.10	121.32	166.35	128.53	1526.45
Diminution in value of long term investments in joint venture / subsidiary company	4.63	0.02	1.04	8.14	-
Obsolescence in stores	13.97	10.34	4.66	10.39	8.80
Unserviceable capital works	41.95	6.63	49.89	3.54	9.29
Unfinished minimum work programme for oil and gas exploration	5.00	7.36	5.08	41.19	-
Others	11.13	10.69	42.34	1.92	7.61
	224.78	156.36	269.36	193.71	1,552.15
Total	4,979.31	4,543.85	4,235.68	3,674.86	4,882.28

27. Prior period items (net)

₹ Crore

For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Revenue					
Sales	208.32	-	(0.03)	9.00	520.62
Others	1.81	0.08	1.88	0.81	0.02
	<u>210.13</u>	<u>0.08</u>	<u>1.85</u>	<u>9.81</u>	<u>520.64</u>
Expenditure					
Employee benefits expense	0.37	(0.37)	(5.13)	(322.05)	(2.49)
Finance costs					
Interest	(132.29)	-	(12.00)	(0.61)	0.13
Other borrowing costs	-	-	(7.91)	-	-
Depreciation and amortisation	12.12	2.35	(0.25)	(1.35)	(1,113.05)
Generation, administration and other expenses					
Repairs and maintenance	4.77	2.33	0.39	(0.21)	1.35
Power Charges	5.94	(0.03)	-	-	-
Rent	4.33	0.13	(0.33)	0.90	-
Others	0.97	7.30	(12.73)	(1.30)	0.03
	<u>(103.79)</u>	<u>11.71</u>	<u>(37.96)</u>	<u>(324.62)</u>	<u>(1,114.03)</u>
Net expenditure/(revenue)	<u>(313.92)</u>	<u>11.63</u>	<u>(39.81)</u>	<u>(334.43)</u>	<u>(1,634.67)</u>
Less: Transferred to expenditure during construction period (net)-Note 28	20.46	(1.24)	(10.09)	(19.01)	4.05
Transferred to development of coal mines	(0.55)	0.03	-	(1.84)	-
Total	<u><u>(333.83)</u></u>	<u><u>12.84</u></u>	<u><u>(29.72)</u></u>	<u><u>(313.58)</u></u>	<u><u>(1,638.72)</u></u>

28. Expenditure during construction period (net)

₹ Crore

	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
For the year ended					
A. Employee benefits expense					
Salaries and wages	506.44	453.69	470.39	410.83	340.64
Contribution to provident and other funds	67.26	110.40	38.81	32.11	32.32
Staff welfare expenses	47.15	38.72	32.43	24.94	31.83
Total (A)	620.85	602.81	541.63	467.88	404.79
B. Finance costs					
Interest on					
Bonds	623.58	426.37	390.47	467.08	504.95
Foreign currency term loans	101.96	107.68	94.88	99.93	86.26
Rupee term loans	1871.58	1532.39	1,486.58	1,397.01	1,066.78
Foreign currency bonds/notes	221.09	284.19	222.88	104.91	37.47
Others	-	22.92	20.19	21.23	-
Other borrowing costs					
Foreign currency bonds/notes expenses	40.48	16.41	5.54	10.47	-
Management/arrangers/upfront fee	16.41	1.07	36.24	20.77	21.55
Others	6.18	97.82	30.37	1.82	3.45
Exchange differences regarded as an adjustment to interest costs	-	-	(185.25)	185.25	14.63
Total (B)	2,881.28	2,488.85	2,101.90	2,308.47	1,735.09
C. Depreciation and amortisation	76.62	268.95	36.11	32.21	24.77
D. Generation, administration & other expenses					
Power charges	95.85	163.61	100.59	155.21	80.73
Less: Recovered from contractors & employees	2.76	1.94	1.60	1.76	1.01
	93.09	161.67	98.99	153.45	79.72
Water charges	4.34	1.59	10.76	47.77	58.60
Rent	6.36	6.19	5.27	4.21	2.96
Repairs & maintenance					
Buildings	8.98	5.41	6.81	7.18	5.91
Construction equipments	0.65	0.49	0.74	0.37	0.24
Others	37.59	25.81	22.73	14.58	11.39
	47.22	31.71	30.28	22.13	17.54
Insurance	1.39	1.12	1.48	1.23	0.38
Rates and taxes	8.56	2.85	0.84	2.40	1.03
Communication expenses	5.42	5.76	5.56	5.04	4.77
Travelling expenses	44.10	38.02	35.33	32.32	28.76
Tender expenses	9.63	6.61	5.72	4.38	6.79
Advertisement and publicity	1.35	2.44	1.49	0.85	0.48
Security expenses	55.82	46.53	43.82	39.38	37.91
Entertainment expenses	5.10	2.49	2.30	2.46	2.02
Expenses for guest house	4.21	4.44	4.13	3.18	2.60
Professional charges and consultancy fee	6.13	6.63	6.35	7.97	5.45
Legal expenses	6.36	5.80	5.15	1.94	1.30
EDP hire and other charges	1.63	1.29	1.22	1.20	1.35
Printing and stationery	1.80	1.49	1.17	1.28	0.96
Miscellaneous expenses	51.56	48.52	58.84	50.64	27.71
Total (D)	354.07	375.15	318.70	381.83	280.33

28. Expenditure during construction period (net)

₹ Crore

	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
For the year ended					
E. Less: Other income					
Interest from contractors	35.22	30.25	22.34	29.09	17.77
Interest others	15.49	2.93	0.87	0.60	4.97
Hire charges for equipment	1.82	2.98	3.70	2.76	1.61
Sale of scrap	0.73	0.02	-	0.11	0.05
Miscellaneous income	29.96	11.28	11.93	7.60	0.51
Total (E)	<u>83.22</u>	<u>47.46</u>	<u>38.84</u>	<u>40.16</u>	<u>24.91</u>
F. Prior period items (net)	20.46	(1.24)	(10.09)	(19.01)	4.05
Grand total (A+B+C+D-E+F)*	<u>3,870.06</u>	<u>3,687.06</u>	<u>2,949.41</u>	<u>3,131.22</u>	<u>2,424.12</u>

* Carried to Capital work-in-progress - (Note 12)

Significant Accounting Policies and Other Notes to Accounts-Standalone

Significant Accounting Policies for the year ended 31.03.2015

A. Basis of preparation

These financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India, accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.

B. Use of estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates & assumptions and such differences are recognized in the period in which the results are crystallized.

C. Grants-in-aid

1. Grants-in-aid received from the Central Government or other authorities towards capital expenditure as well as consumers' contribution to capital works are treated initially as capital reserve and subsequently adjusted as income in the same proportion as the depreciation written off on the assets acquired out of the grants.
2. Where the ownership of the assets acquired out of the grants vests with the government, the grants are adjusted in the carrying cost of such assets.
3. Grants from Government and other agencies towards revenue expenditure are recognized over the period in which the related costs are incurred and are deducted from the related expenses.

D. Fly ash utilisation reserve fund

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

E. Fixed assets

1. Tangible assets are carried at historical cost less accumulated depreciation/amortisation.
2. Expenditure on renovation and modernisation of tangible assets resulting in increased life and/or efficiency of an existing asset is added to the cost of related assets.
3. Intangible assets are stated at their cost of acquisition less accumulated amortisation.
4. Capital expenditure on assets not owned by the Company relating to generation of electricity business is reflected as a distinct item in capital work-in-progress till the period of completion and thereafter in the tangible assets. However, similar expenditure for community development is charged off to revenue.
5. Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
6. In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalisation is done on provisional basis subject to necessary adjustment in the year of final settlement.
7. Assets and systems common to more than one generating unit are capitalised on the basis of engineering estimates/assessments.

F. Capital work-in-progress

1. Administration and general overhead expenses attributable to construction of fixed assets incurred till they are ready for their intended use are identified and allocated on a systematic basis to the cost of related assets.
2. Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.
3. Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

G. Oil and gas exploration costs

1. The Company follows 'Successful Efforts Method' for accounting of oil & gas exploration activities.
2. Cost of surveys and prospecting activities conducted in search of oil and gas is expensed off in the year in which it is incurred.
3. Acquisition and exploration costs are initially capitalized as 'Exploratory wells-in-progress' under Capital work-in-progress. Such exploratory wells in progress are capitalised in the year in which the producing property is created or written off in the year when determined to be dry/abandoned.

H. Development of coal mines

Expenditure on exploration and development of new coal deposits is capitalized as 'Development of coal mines' under capital work-in-progress till the mines project is brought to revenue account.

I. Foreign currency transactions

1. Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.
2. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.
3. Exchange differences arising from settlement/translation of foreign currency loans, deposits/liabilities relating to fixed assets/capital work-in-progress in respect of transactions entered prior to 01.04.2004, are adjusted in the carrying cost of related assets. Such exchange differences arising from settlement/translation of long term foreign currency monetary items in respect of transactions entered on or after 01.04.2004 are adjusted in the carrying cost of related assets.
4. Other exchange differences are recognized as income or expense in the period in which they arise.
5. Derivative contracts in the nature of forward contracts, options and swaps are entered into to hedge the currency and interest rate risk of foreign currency loans. Premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contracts. Exchange differences on such contracts, which relate to long-term foreign currency monetary items referred to in Policy I.3 are adjusted in the carrying cost of related assets. Other derivative contracts are marked-to-market at the Balance Sheet date and losses are recognised in the Statement of Profit and Loss. Gains arising on such contracts are not recognised, until realised, on grounds of prudence.

J. Borrowing costs

Borrowing costs attributable to the qualifying fixed assets during construction/exploration, renovation and modernisation are capitalised. Such borrowing costs are apportioned on the average balance of capital work-in-progress for the year. Other borrowing costs are recognised as an expense in the period in which they are incurred.

K. Investments

1. Current investments are valued at lower of cost and fair value determined on an individual investment basis.
2. Long term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.
3. Premium paid on long term investments is amortised over the period remaining to maturity.

L. Inventories

1. Inventories are valued at the lower of, cost determined on weighted average basis and net realizable value.
2. The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for.

M. Income recognition

1. Sale of energy is accounted for based on tariff rates approved by the Central Electricity Regulatory Commission (CERC) 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, provisional rates are adopted.
2. Advance against depreciation considered as deferred revenue in earlier years is included in sales, to the extent depreciation recovered in tariff during the year is lower than the corresponding depreciation charged.
3. Exchange differences on account of translation of foreign currency borrowings recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability'. The increase or decrease in depreciation for the year due to the accounting of such exchange differences as per accounting policy no. I is adjusted in depreciation.
4. Exchange differences arising from settlement/translation of monetary items denominated in foreign currency (other than long term) to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability' during construction period and adjusted from the year in which the same becomes recoverable/payable.
5. Premium, discount and exchange differences in respect of forward exchange contracts and mark to market losses in respect of other derivative contracts referred to in accounting policy no. I.5 recoverable from/payable to the beneficiaries as per CERC Tariff Regulations, are recognised in sales.
6. The surcharge on late payment/overdue sundry debtors for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.
7. Interest/surcharge recoverable on advances to suppliers as well as warranty claims/liquidated damages wherever there is uncertainty of realisation/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.
8. Income from consultancy services is accounted for on the basis of actual progress/technical assessment of work executed, in line with the terms of respective consultancy contracts. Claims for reimbursement of expenditure are recognized as other income, as per the terms of consultancy service contracts.
9. Scrap other than steel scrap is accounted for as and when sold.
10. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realisation.

N. Expenditure

1. Depreciation/amortisation

- 1.1 Depreciation on the assets of the generation of electricity business is charged on straight line method following the rates and methodology notified by the CERC Tariff Regulations in accordance with Schedule II of the Companies Act, 2013.
- 1.2 Depreciation on the assets of the coal mining, oil & gas exploration and consultancy business, is charged on straight line method following the useful life specified in Schedule II of the Companies Act, 2013.

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

a) Kutcha Roads	2 years
b) Enabling works	
- residential buildings	15 years
- internal electrification of residential buildings	10 years
- non-residential buildings including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips.	5 years
c) Personal computers & laptops including peripherals	3 years
d) Photocopiers, fax machines, water coolers and refrigerators	5 years
e) Temporary erections including wooden structures	1 year

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

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

1.6 Depreciation on additions to/deductions from fixed assets during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposed.

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

1.8 Where the life and/or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.

1.9 Machinery spares which can be used only in connection with an item of plant and machinery and their use is expected to be irregular, are capitalised and fully depreciated over the residual useful life of the related plant and machinery.

1.10 Capital expenditure on assets not owned by the company referred in policy E.4 is amortised over a period of 4 years from the month in which the first unit of project concerned comes into commercial operation and thereafter from the month in which the relevant asset becomes available for use.

1.11 Leasehold land and buildings relating to generation of electricity business are fully amortised over lease period or life of the related plant whichever is lower following the rates and methodology notified by CERC Tariff Regulations. Leasehold land acquired on perpetual lease is not amortised.

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

2. Other expenditure

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

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

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

2.4 Prepaid expenses and prior period expenses/income of items of ₹ 100,000/- and below are charged to natural heads of accounts.

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

O. Employee benefits

Employee benefits, inter-alia include provident fund, pension, gratuity, post retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits.

1. Company's contributions paid/payable during the year to provident fund and pension fund is recognised in the Statement of Profit and Loss. The same is paid to funds administered through separate trusts.
2. Company's liability towards gratuity, leave benefits (including compensated absences), post retirement medical facility and other terminal benefits is determined by independent actuary, at year end using the projected unit credit method. Past service costs are recognised on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.
3. Short term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related services are rendered.

P. Leases

1. Finance lease

- 1.1 Assets taken on finance lease are capitalized at fair value or net present value of the minimum lease payments, whichever is less.
- 1.2 Depreciation on the assets taken on finance lease is charged at the rate applicable to similar type of fixed assets as per accounting policy no. N.1.1 or N.1.2. If the leased assets are returnable to the lessor on the expiry of the lease period, depreciation is charged over its useful life or lease period, whichever is less.
- 1.3 Lease payments are apportioned between the finance charges and outstanding liability in respect of assets taken on lease.

2. Operating lease

Assets acquired on lease where a significant portion of the risk and rewards of the ownership is retained by the lessor are classified as operating leases. Lease rentals are charged to revenue.

Q. Impairment

The carrying amount of cash generating units is reviewed at each Balance Sheet date where there is any indication of impairment based on internal/external indicators. An impairment loss is recognised in the Statement of Profit and Loss where the carrying amount exceeds the recoverable amount of the cash generating units. The impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

R. Provisions and contingent liabilities

A provision is recognised when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value. 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.

S. Segment reporting

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis are included under unallocated revenue/expenses/assets/liabilities.

T. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statements'.

U. Taxes on income

Current tax is determined on the basis of taxable income in accordance with the provisions of the Income Tax Act, 1961. Deferred tax liability/asset resulting from 'timing difference' between accounting income and taxable income is accounted for considering the tax rate & tax laws that have been enacted or substantively enacted as on the reporting date. Deferred tax asset is recognized and carried forward only to the extent that there is reasonable certainty that the asset will be realized in future. Deferred tax assets are reviewed at each reporting date for their realisability.

Significant Accounting Policies for the Year ended 31.03.2014

A. Basis of preparation

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India, accounting standards notified under Companies (Accounting Standards) Rules, 2006, read with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs, provisions of the Companies Act, 1956, the Companies Act, 2013 (to the extent notified and applicable), and the provisions of the Electricity Act, 2003 to the extent applicable.

B. Use of estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates & assumptions and such differences are recognized in the period in which the results are crystallized.

C. Grants-in-aid

1. Grants-in-aid received from the Central Government or other authorities towards capital expenditure as well as consumers' contribution to capital works are treated initially as capital reserve and subsequently adjusted as income in the same proportion as the depreciation written off on the assets acquired out of the grants.
2. Where the ownership of the assets acquired out of the grants vests with the government, the grants are adjusted in the carrying cost of such assets.
3. Grants from Government and other agencies towards revenue expenditure are recognized over the period in which the related costs are incurred and are deducted from the related expenses.

D. Fixed assets

1. Tangible assets are carried at historical cost less accumulated depreciation/amortisation.
2. Expenditure on renovation and modernisation of tangible assets resulting in increased life and/or efficiency of an existing asset is added to the cost of related assets.
3. Intangible assets are stated at their cost of acquisition less accumulated amortisation.
4. Capital expenditure on assets not owned by the Company relating to generation of electricity business is reflected as a distinct item in capital work-in-progress till the period of completion and thereafter in the tangible assets. However, similar expenditure for community development is charged off to revenue.
5. Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
6. In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalisation is done on provisional basis subject to necessary adjustment in the year of final settlement.
7. Assets and systems common to more than one generating unit are capitalised on the basis of engineering estimates/assessments.

E. Capital work-in-progress

1. Administration and general overhead expenses attributable to construction of fixed assets incurred till they are ready for their intended use are identified and allocated on a systematic basis to the cost of related assets.
2. Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.
3. Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

F. Oil and gas exploration costs

1. The Company follows 'Successful Efforts Method' for accounting of oil & gas exploration activities.
2. Cost of surveys and prospecting activities conducted in search of oil and gas is expensed off in the year in which it is incurred.
3. Acquisition and exploration costs are initially capitalized as 'Exploratory wells-in-progress' under Capital work-in-progress. Such exploratory wells in progress are capitalised in the year in which the producing property is created or written off in the year when determined to be dry/abandoned.

G. Development of coal mines

Expenditure on exploration and development of new coal deposits is capitalized as 'Development of coal mines' under capital work-in-progress till the mines project is brought to revenue account.

H. Foreign currency transactions

1. Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.
2. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.
3. Exchange differences arising from settlement/translation of foreign currency loans, deposits/liabilities relating to fixed assets/capital work-in-progress in respect of transactions entered prior to 01.04.2004, are adjusted in the carrying cost of related assets. Such exchange differences arising from settlement/translation of long term foreign currency monetary items in respect of transactions entered on or after 01.04.2004 are adjusted in the carrying cost of related assets.
4. Other exchange differences are recognized as income or expense in the period in which they arise.
5. Derivative contracts in the nature of forward contracts, options and swaps are entered into to hedge the currency and interest rate risk of foreign currency loans. Premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contracts. Exchange differences on such contracts, which relate to long-term foreign currency monetary items referred to in Policy H.3 are adjusted in the carrying cost of related assets. Other derivative contracts are marked-to-market at the Balance Sheet date and losses are recognised in the Statement of Profit and Loss. Gains arising on such contracts are not recognised, until realised, on grounds of prudence.

I. Borrowing costs

Borrowing costs attributable to the qualifying fixed assets during construction/exploration, renovation and modernisation are capitalised. Such borrowing costs are apportioned on the average balance of capital work-in-progress for the year. Other borrowing costs are recognised as an expense in the period in which they are incurred.

J. Investments

1. Current investments are valued at lower of cost and fair value determined on an individual investment basis.
2. Long term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.
3. Premium paid on long term investments is amortised over the period remaining to maturity.

K. Inventories

1. Inventories are valued at the lower of, cost determined on weighted average basis and net realizable value.
2. The diminution in the value of obsolete, unserviceable and surplus stores and spares is ascertained on review and provided for.

L. Income recognition

1. Sale of energy is accounted for based on tariff rates approved by the Central Electricity Regulatory Commission (CERC) 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, provisional rates are adopted.
2. Advance against depreciation considered as deferred revenue in earlier years is included in sales, to the extent depreciation recovered in tariff during the year is lower than the corresponding depreciation charged.
3. Exchange differences on account of translation of foreign currency borrowings recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability'. The increase or decrease in depreciation for the year due to the accounting of such exchange differences as per accounting policy no. H is adjusted in depreciation.
4. Exchange differences arising from settlement/translation of monetary items denominated in foreign currency (other than long term) to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability' during construction period and adjusted from the year in which the same becomes recoverable/payable.
5. Premium, discount and exchange differences in respect of forward exchange contracts and mark to market losses in respect of other derivative contracts referred to in accounting policy no. H.5 recoverable from/payable to the beneficiaries as per CERC Tariff Regulations, are recognised in sales.
6. The surcharge on late payment/overdue sundry debtors for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.
7. Interest/surcharge recoverable on advances to suppliers as well as warranty claims/liquidated damages wherever there is uncertainty of realisation/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.
8. Income from consultancy services is accounted for on the basis of actual progress/technical assessment of work executed, in line with the terms of respective consultancy contracts. Claims for reimbursement of expenditure are recognized as other income, as per the terms of consultancy service contracts.
9. Scrap other than steel scrap is accounted for as and when sold.
10. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realisation.

M. Expenditure

a) Depreciation/amortisation

1. Depreciation on the assets of the generation of electricity business is charged on straight line method following the rates and methodology notified by the CERC Tariff Regulations, 2009 in accordance with Section 616 (c) of the Companies Act, 1956.
2. Depreciation on the assets of the coal mining, oil & gas exploration and consultancy business, is charged on straight line method following the rates specified in Schedule XIV of the Companies Act, 1956.
3. Depreciation on the following assets is provided based on their estimated useful life:

a) Kutcha Roads	2 years
b) Enabling works	
- residential buildings including their internal electrification.	15 years
- non-residential buildings including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips.	5 years
c) Personal computers & laptops including peripherals	5 years
d) Photocopiers and fax machines	5 years
e) Water coolers and refrigerators	12 years

4. Depreciation on additions to/deductions from fixed assets during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposed.
5. Assets costing up to ₹ 5000/- are fully depreciated in the year of acquisition.
6. Cost of software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or 3 years, whichever is less. Other intangible assets are amortized on straight line method over the period of legal right to use or life of the related plant, whichever is less.
7. Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, change in duties or similar factors, the unamortised balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/amortisation.
8. Where the life and/or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.
9. Machinery spares which can be used only in connection with an item of plant and machinery and their use is expected to be irregular, are capitalised and fully depreciated over the residual useful life of the related plant and machinery.
10. Capital expenditure on assets not owned by the company referred in policy D.4 is amortised over a period of 4 years from the month in which the first unit of project concerned comes into commercial operation and thereafter from the month in which the relevant asset becomes available for use.
11. Leasehold land and buildings relating to generation of electricity business are fully amortised over lease period or life of the related plant whichever is lower following the rates and methodology notified by CERC Tariff Regulations, 2009. Leasehold land acquired on perpetual lease is not amortised.
12. Land acquired for mining business under Coal Bearing Areas (Acquisition & Development) Act, 1957 is amortised on the basis of balance useful life of the project. Other leasehold land acquired for mining business is amortised over the lease period or balance life of the project whichever is less.

b) Other expenditure

13. Expenses on ex-gratia payments under voluntary retirement scheme, training & recruitment and research & development are charged to revenue in the year incurred.
14. Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to revenue.
15. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.
16. Prepaid expenses and prior period expenses/income of items of ₹ 100,000/- and below are charged to natural heads of accounts.
17. Transit and handling losses of coal as per Company's norms are included in cost of coal.

N. Employee benefits

Employee benefits consist of provident fund, pension, gratuity, post retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits.

1. Company's contributions paid/payable during the year to provident fund and pension fund is recognised in the statement of profit and loss. The same is paid to funds administered through separate trusts.
2. Company's liability towards gratuity, leave benefits (including compensated absences), post retirement medical facility and other terminal benefits is determined by independent actuary, at year end using the projected unit credit method. Past service costs are recognised on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognised immediately in the statement of profit and loss. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.
3. Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related services are rendered.

O. Leases

1. Finance lease

- 1.1 Assets taken on finance lease are capitalized at fair value or net present value of the minimum lease payments, whichever is less.
- 1.2 Depreciation on the assets taken on finance lease is charged at the rate applicable to similar type of fixed assets as per accounting policy no. M.a.1 or M.a.2. If the leased assets are returnable to the lessor on the expiry of the lease period, depreciation is charged over its useful life or lease period, whichever is less.
- 1.3 Lease payments are apportioned between the finance charges and outstanding liability in respect of assets taken on lease.

2. Operating lease

Assets acquired on lease where a significant portion of the risk and rewards of the ownership is retained by the lessor are classified as operating leases. Lease rentals are charged to revenue.

P. Impairment

The carrying amount of cash generating units is reviewed at each balance sheet date where there is any indication of impairment based on internal/external indicators. An impairment loss is recognised in the statement of profit and loss where the carrying amount exceeds the recoverable amount of the cash generating units. The impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

Q. Provisions and contingent liabilities

A provision is recognised when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value. 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.

R. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statements'.

S. Taxes on income

Current tax is determined on the basis of taxable income in accordance with the provisions of the Income Tax Act, 1961. Deferred tax liability/asset resulting from 'timing difference' between accounting income and taxable income is accounted for considering the tax rate & tax laws that have been enacted or substantively enacted as on the reporting date. Deferred tax asset is recognized and carried forward only to the extent that there is reasonable certainty that the asset will be realized in future. Deferred tax assets are reviewed at each reporting date for their realisability.

Significant Accounting Policies for the Year ended 31.03.2013

A. Basis of preparation

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India, the relevant provisions of the Companies Act, 1956 including accounting standards notified there under and the provisions of the Electricity Act, 2003 to the extent applicable.

B. Use of estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates & assumptions and such differences are recognized in the period in which the results are crystallized.

C. Grants-in-aid

1. Grants-in-aid received from the Central Government or other authorities towards capital expenditure as well as consumers' contribution to capital works are treated initially as capital reserve and subsequently adjusted as income in the same proportion as the depreciation written off on the assets acquired out of the grants.
2. Where the ownership of the assets acquired out of the grants vests with the government, the grants are adjusted in the carrying cost of such assets.
3. Grants from Government and other agencies towards revenue expenditure are recognized over the period in which the related costs are incurred and are deducted from the related expenses.

D. Fixed assets

1. Tangible assets are carried at historical cost less accumulated depreciation/amortisation.
2. Expenditure on renovation and modernisation of tangible assets resulting in increased life and/or efficiency of an existing asset is added to the cost of related assets.
3. Intangible assets are stated at their cost of acquisition less accumulated amortisation.
4. Capital expenditure on assets not owned by the Company relating to generation of electricity business is reflected as a distinct item in capital work-in-progress till the period of completion and thereafter in the tangible assets.
5. Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
6. In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalisation is done on provisional basis subject to necessary adjustment in the year of final settlement.
7. Assets and systems common to more than one generating unit are capitalised on the basis of engineering estimates/assessments.

E. Capital work-in-progress

1. Administration and general overhead expenses attributable to construction of fixed assets incurred till they are ready for their intended use are identified and allocated on a systematic basis to the cost of related assets.
2. Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.
3. Unsettled liability for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

F. Oil and gas exploration costs

1. The Company follows 'Successful Efforts Method' for accounting of oil & gas exploration activities.
2. Cost of surveys and prospecting activities conducted in search of oil and gas is expensed off in the year in which these are incurred.
3. Acquisition and exploration costs are initially capitalized as 'Exploratory wells-in-progress' under Capital work-in-progress. Such exploratory wells in progress are capitalised in the year in which the producing property is created or is written off in the year when determined to be dry/abandoned.
4. All wells under 'Exploratory Wells-in-Progress' which are more than two years old from the date of completion of drilling are charged to statement of profit and loss, except those wells which have proven reserves and the development of the fields in which the wells are located has been planned.

G. Development of coal mines

Expenditure on exploration and development of new coal deposits is capitalized as 'Development of coal mines' under capital work-in-progress till the mines project is brought to revenue account.

H. Foreign currency transactions

1. Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.
2. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.
3. Exchange differences arising from settlement/translation of foreign currency loans, deposits/liabilities relating to fixed assets/capital work-in-progress in respect of transactions entered prior to 01.04.2004, are adjusted in the carrying cost of related assets. Such exchange differences arising from settlement/translation of long term foreign currency monetary items in respect of transactions entered on or after 01.04.2004 are adjusted in the carrying cost of related assets.
4. Other exchange differences are recognized as income or expense in the period in which they arise.

I. Borrowing costs

Borrowing costs attributable to the fixed assets during construction/exploration, renovation and modernisation are capitalised. Such borrowing costs are apportioned on the average balance of capital work-in-progress for the year. Other borrowing costs are recognised as an expense in the period in which they are incurred.

J. Investments

1. Current investments are valued at lower of cost and fair value determined on an individual investment basis.
2. Long term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.
3. Premium paid on long term investments is amortised over the period remaining to maturity.

K. Inventories

1. Inventories are valued at the lower of, cost determined on weighted average basis, and net realizable value.
2. The diminution in the value of obsolete, unserviceable and surplus stores and spares is ascertained on review and provided for.

L. Income recognition

1. Sale of energy is accounted for based on tariff rates approved by the Central Electricity Regulatory Commission (CERC) 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, provisional rates are adopted.
2. Advance against depreciation considered as deferred revenue in earlier years is included in sales, to the extent depreciation recovered in tariff during the year is lower than the corresponding depreciation charged.
3. Exchange differences on account of translation of foreign currency borrowings recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability'. The increase or decrease in depreciation for the year due to the accounting of such exchange differences as per accounting policy no. H is adjusted in depreciation.
4. Exchange differences arising from settlement/translation of monetary items denominated in foreign currency (other than long term) to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability' during construction period and adjusted from the year in which the same becomes recoverable/payable.
5. The surcharge on late payment/overdue sundry debtors for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.
6. Interest/surcharge recoverable on advances to suppliers as well as warranty claims/liquidated damages wherever there is uncertainty of realisation/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.
7. Income from consultancy services is accounted for on the basis of actual progress/technical assessment of work executed, in line with the terms of respective consultancy contracts. Claims for reimbursement of expenditure are recognized as other income, as per the terms of consultancy service contracts.
8. Scrap other than steel scrap is accounted for as and when sold.
9. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realisation.

M. Expenditure

a) Depreciation/amortisation

1. Depreciation on the assets of the generation of electricity business is charged on straight line method following the rates and methodology notified by the CERC Tariff Regulations, 2009 in accordance with Section 616 (c) of the Companies Act, 1956.
2. Depreciation on the assets of the coal mining, oil & gas exploration and consultancy business, is charged on straight line method following the rates specified in Schedule XIV of the Companies Act, 1956.
3. Depreciation on the following assets is provided based on their estimated useful life:

a) Kutcha Roads	2 years
b) Enabling works	
- residential buildings including their internal electrification.	15 years
- non-residential buildings including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips.	5 years
c) Personal computers & laptops including peripherals	5 years
d) Photocopiers and fax machines	5 years
e) Water coolers and refrigerators	12 years

4. Depreciation on additions to/deductions from fixed assets during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposal.
5. Assets costing up to ₹ 5000/- are fully depreciated in the year of acquisition.
6. Cost of software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or 3 years, whichever is less. Other intangible assets are amortized on straight line method over the period of legal right to use or life of the related plant, whichever is less.
7. Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, change in duties or similar factors, the unamortised balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/amortisation.
8. Where the life and/or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.
9. Machinery spares which can be used only in connection with an item of plant and machinery and their use is expected to be irregular, are capitalised and fully depreciated over the residual useful life of the related plant and machinery.
10. Capital expenditure on assets not owned by the company referred in policy D.4 is amortised over a period of 4 years from the month in which the first unit of project concerned comes into commercial operation and thereafter from the month in which the relevant asset becomes available for use. However, similar expenditure for community development is charged off to revenue.
11. Leasehold land and buildings relating to generation of electricity business are fully amortised over 25 years or lease period whichever is lower following the rates and methodology notified by CERC Tariff Regulations, 2009. Leasehold land acquired on perpetual lease is not amortised.
12. Land acquired for mining business under Coal Bearing Areas (Acquisition & Development) Act, 1957 is amortised on the basis of balance useful life of the project. Other leasehold land acquired for mining business is amortised over the lease period or balance life of the project whichever is less.

b) Other expenditure

13. Expenses on ex-gratia payments under voluntary retirement scheme, training & recruitment and research & development are charged to revenue in the year incurred.
14. Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to revenue.
15. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.
16. Prepaid expenses and prior period expenses/income of items of ₹ 100,000/- and below are charged to natural heads of accounts.
17. Transit and handling losses of coal as per Company's norms are included in cost of coal.

N. Employee benefits

1. Defined contribution plan

Company's contributions paid/payable during the year to provident fund is recognised in the statement of profit and loss. The same is paid to a fund administered through a separate trust.

2. Defined benefit plan

Company's liability towards gratuity, leave benefits (including compensated absences), post retirement medical facility and other terminal benefits are determined by independent actuary, at year end using the projected unit credit method. Past service costs are recognised on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognised immediately in the statement of profit and loss. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.

3. Short term employee benefits

These are recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related services are rendered.

O. Leases

1. Finance lease

- 1.1 Assets taken on finance lease are capitalized at fair value or net present value of the minimum lease payments, whichever is less.
- 1.2 Depreciation on the assets taken on finance lease is charged at the rate applicable to similar type of fixed assets as per accounting policy no. M.a.1 or M.a.2. If the leased assets are returnable to the lessor on the expiry of the lease period, depreciation is charged over its useful life or lease period, whichever is less.
- 1.3 Lease payments are apportioned between the finance charges and outstanding liability in respect of assets taken on lease.

2. Operating lease

Assets acquired on lease where a significant portion of the risk and rewards of the ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to revenue.

P. Impairment

The carrying amount of cash generating units is reviewed at each balance sheet date where there is any indication of impairment based on internal/external indicators. An impairment loss is recognised in the statement of profit and loss where the carrying amount exceeds the recoverable amount of the cash generating units. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

Q. Provisions and contingent liabilities

A provision is recognised when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value. 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.

R. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statements'.

Significant Accounting Policies for the Year ended 31.03.2012

A. Basis of preparation

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India, the relevant provisions of the Companies Act, 1956 including accounting standards notified there under and the provisions of the Electricity Act, 2003 to the extent applicable.

B. Use of estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates & assumptions and such differences are recognized in the period in which the results are crystallized.

C. Grants-in-aid

1. Grants-in-aid received from the Central Government or other authorities towards capital expenditure as well as consumers' contribution to capital works are treated initially as capital reserve and subsequently adjusted as income in the same proportion as the depreciation written off on the assets acquired out of the grants.
2. Where the ownership of the assets acquired out of the grants vests with the government, the grants are adjusted in the carrying cost of such assets.
3. Grants from Government and other agencies towards revenue expenditure are recognized over the period in which the related costs are incurred and are deducted from the related expenses.

D. Fixed assets

1. Tangible assets are carried at historical cost less accumulated depreciation/amortisation.
2. Expenditure on renovation and modernisation of tangible assets resulting in increased life and/or efficiency of an existing asset is added to the cost of related assets.
3. Intangible assets are stated at their cost of acquisition less accumulated amortisation.
4. Capital expenditure on assets not owned by the Company relating to generation of electricity business is reflected as a distinct item in capital work-in-progress till the period of completion and thereafter in the tangible assets.
5. Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
6. In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalisation is done on provisional basis subject to necessary adjustment in the year of final settlement.
7. Assets and systems common to more than one generating unit are capitalised on the basis of engineering estimates/assessments.

E. Capital work-in-progress

1. In respect of supply-cum-erection contracts, the value of supplies received at site and accepted is treated as capital work-in-progress.
2. Administration and general overhead expenses attributable to construction of fixed assets incurred till they are ready for their intended use are identified and allocated on a systematic basis to the cost of related assets.
3. Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.
4. Unsettled liability for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

F. Oil and gas exploration costs

1. The Company follows 'Successful Efforts Method' for accounting of oil & gas exploration activities.
2. Cost of surveys and prospecting activities conducted in search of oil and gas is expensed off in the year in which these are incurred.
3. Acquisition and exploration costs are initially capitalized as 'Exploratory wells-in-progress' under Capital work-in-progress. Such exploratory wells in progress are capitalised in the year in which the producing property is created or is written off in the year when determined to be dry/abandoned.
4. All wells under 'Exploratory Wells-in-Progress' which are more than two years old from the date of completion of drilling are charged to statement of profit and loss, except those wells which have proven reserves and the development of the fields in which the wells are located has been planned.

G. Development of coal mines

Expenditure on exploration and development of new coal deposits is capitalized as 'Development of coal mines' under capital work-in-progress till the mines project is brought to revenue account.

H. Foreign currency transactions

1. Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.
2. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.
3. Exchange differences (loss), arising from translation of foreign currency loans relating to fixed assets/capital work-in-progress to the extent regarded as an adjustment to interest cost are treated as borrowing cost.
4. Exchange differences arising from settlement/translation of foreign currency loans (other than regarded as borrowing cost), deposits/liabilities relating to fixed assets/capital work-in-progress in respect of transactions entered prior to 01.04.2004, are adjusted in the carrying cost of related assets. Such exchange differences arising from settlement/translation of long term foreign currency monetary items in respect of transactions entered on or after 01.04.2004 are adjusted in the carrying cost of related assets.
5. Other exchange differences are recognized as income or expense in the period in which they arise.

I. Borrowing costs

Borrowing costs attributable to the fixed assets during construction/exploration, renovation and modernisation are capitalised. Such borrowing costs are apportioned on the average balance of capital work-in-progress for the year. Other borrowing costs are recognised as an expense in the period in which they are incurred.

J. Investments

1. Current investments are valued at lower of cost and fair value determined on an individual investment basis.
2. Long term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.
3. Premium paid on long term investments is amortised over the period remaining to maturity.

K. Inventories

1. Inventories are valued at the lower of, cost determined on weighted average basis, and net realizable value.
2. The diminution in the value of obsolete, unserviceable and surplus stores and spares is ascertained on review and provided for.

L. Income recognition

1. Sale of energy is accounted for based on tariff rates approved by the Central Electricity Regulatory Commission (CERC) 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, provisional rates are adopted.
2. Advance against depreciation considered as deferred revenue in earlier years is included in sales, to the extent depreciation recovered in tariff during the year is lower than the corresponding depreciation charged.
3. Exchange differences on account of translation of foreign currency borrowings recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability'. The increase or decrease in depreciation or interest and finance charges for the year due to the accounting of such exchange differences as per accounting policy no. H is adjusted in depreciation or sales, as the case may be.
4. Exchange differences arising from settlement/translation of monetary items denominated in foreign currency (other than long term) to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability' during construction period and adjusted from the year in which the same becomes recoverable/payable.
5. The surcharge on late payment/overdue sundry debtors for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.
6. Interest/surcharge recoverable on advances to suppliers as well as warranty claims/liquidated damages wherever there is uncertainty of realisation/acceptance are not treated as accrued and are therefore accounted for on receipt/acceptance.
7. Income from consultancy services is accounted for on the basis of actual progress/technical assessment of work executed, in line with the terms of respective consultancy contracts. Claims for reimbursement of expenditure are recognized as other income, as per the terms of consultancy service contracts.
8. Scrap other than steel scrap is accounted for as and when sold.
9. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realisation.

M. Expenditure

1. Depreciation on the assets of the generation of electricity business is charged on straight line method following the rates and methodology notified by the CERC Tariff Regulations, 2009 in accordance with Section 616 (c) of the Companies Act, 1956.
2. Depreciation on the assets of the coal mining, oil & gas exploration and consultancy business, is charged on straight line method following the rates specified in Schedule XIV of the Companies Act, 1956.
3. Depreciation on the following assets is provided based on their estimated useful life:

a) Kutcha Roads	2 years
b) Enabling works	
- residential buildings including their internal electrification.	15 years
- non-residential buildings including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips.	5 years
c) Personal computers & laptops including peripherals	5 years
d) Photocopiers and fax machines	5 years
e) Water coolers and refrigerators	12 years

4. Depreciation on additions to/deductions from fixed assets during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposal.
5. Assets costing up to ₹ 5000/- are fully depreciated in the year of acquisition.
6. Cost of software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or 3 years, whichever is less. Other intangible assets are amortized on straight line method over the period of legal right to use following the rates and methodology notified by CERC Tariff Regulations, 2009.
7. Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, change in duties or similar factors, the unamortised balance of such asset is charged off prospectively at the rates and methodology notified by CERC Tariff Regulations, 2009/ revised useful life determined based on rates specified in Schedule XIV of the Companies Act, 1956.
8. Where the life and/or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.
9. Machinery spares which can be used only in connection with an item of plant and machinery and their use is expected to be irregular, are capitalised and fully depreciated over the residual useful life of the related plant and machinery.
10. Capital expenditure on assets not owned by the company is amortised over a period of 4 years from the month in which the first unit of project concerned comes into commercial operation and thereafter from the month in which the relevant asset becomes available for use. However, similar expenditure for community development is charged off to revenue.
11. Leasehold land and buildings relating to generation of electricity business are fully amortised over 25 years or lease period whichever is lower following the rates and methodology notified by CERC Tariff Regulations, 2009. Leasehold land acquired on perpetual lease is not amortised.
12. Land acquired for mining business under Coal Bearing Areas (Acquisition & Development) Act, 1957 is amortised on the basis of balance useful life of the project. Other leasehold land acquired for mining business is amortised over the lease period or balance life of the project whichever is less.
13. Expenses on ex-gratia payments under voluntary retirement scheme, training & recruitment and research & development are charged to revenue in the year incurred.
14. Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to revenue.
15. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.
16. Prepaid expenses and prior period expenses/income of items of ₹ 100,000/- and below are charged to natural heads of accounts.
17. Carpet coal is charged off to coal consumption. However, during pre-commissioning period, carpet coal is retained in inventories and charged off to consumption in the first year of commercial operation. Transit and handling losses of coal as per norms are included in cost of coal.

N. Employee benefits

1. Defined contribution plan

Company's contributions paid/payable during the year to provident fund is recognised in the statement of profit and loss. The same is paid to a fund administered through a separate trust.

2. Defined benefit plan

Company's liability towards gratuity, leave benefits (including compensated absences), post retirement medical facility and other terminal benefits are determined by independent actuary, at year end using the projected unit credit method. Past service costs are recognised on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognised immediately in the statement of profit and loss. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.

3. Short term employee benefits

These are recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related services are rendered.

O. Leases

1. Finance lease

- 1.1 Assets taken on finance lease are capitalized at fair value or net present value of the minimum lease payments, whichever is less.
- 1.2 Depreciation on the assets taken on finance lease is charged at the rate applicable to similar type of fixed assets as per accounting policy no. M.1 or M.2. If the leased assets are returnable to the lessor on the expiry of the lease period, depreciation is charged over its useful life or lease period, whichever is less.
- 1.3 Lease payments are apportioned between the finance charges and outstanding liability in respect of assets taken on lease.

2. Operating lease

Assets acquired on lease where a significant portion of the risk and rewards of the ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to revenue.

P. Impairment

The carrying amount of cash generating units is reviewed at each balance sheet date where there is any indication of impairment based on internal/external indicators. An impairment loss is recognised in the statement of profit and loss where the carrying amount exceeds the recoverable amount of the cash generating units. An impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

Q. Provisions and contingent liabilities

A provision is recognised when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value. 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.

R. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statements'.

Significant Accounting Policies for the Year ended 31.03.2011

A. Basis of preparation

The financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India and the relevant provisions of the Companies Act, 1956 including accounting standards notified there under.

B. Use of estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates & assumptions and such differences are recognized in the period in which the results are crystallized.

C. Grants-in-aid

1. Grants-in-aid received from the Central Government or other authorities towards capital expenditure as well as consumers' contribution to capital works are treated initially as capital reserve and subsequently adjusted as income in the same proportion as the depreciation written off on the assets acquired out of the grants.
2. Where the ownership of the assets acquired out of the grants vests with the government, the grants are adjusted in the carrying cost of such assets.
3. Grants from Government and other agencies towards revenue expenditure are recognized over the period in which the related costs are incurred and are deducted from the related expenses.

D. Fixed assets

1. Fixed assets are carried at historical cost less accumulated depreciation/amortisation.
2. Expenditure on renovation and modernisation of fixed assets resulting in increased life and/or efficiency of an existing asset is added to the cost of related assets.
3. Intangible assets are stated at their cost of acquisition less accumulated amortisation.
4. Capital expenditure on assets not owned by the Company is reflected as a distinct item in capital work-in-progress till the period of completion and thereafter in the fixed assets.
5. Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
6. In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalisation is done on provisional basis subject to necessary adjustment in the year of final settlement.
7. Assets and systems common to more than one generating unit are capitalised on the basis of engineering estimates/assessments.

E. Capital work-in-progress

1. In respect of supply-cum-erection contracts, the value of supplies received at site and accepted is treated as capital work-in-progress.
2. Administration and general overhead expenses attributable to construction of fixed assets incurred till they are ready for their intended use are identified and allocated on a systematic basis to the cost of related assets.
3. Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.
4. Unsettled liability for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

F. Oil and gas exploration costs

1. The Company follows 'Successful Efforts Method' for accounting of oil & gas exploration activities.
2. Cost of surveys and prospecting activities conducted in search of oil and gas are expensed off in the year in which these are incurred.
3. Acquisition and exploration costs are initially capitalized as 'Exploratory wells-in-progress' under Capital work-in-progress.

G. Development of coal mines

Expenditure on exploration and development of new coal deposits is capitalized as 'Development of coal mines' under capital work-in-progress till the mines project is brought to revenue account.

H. Foreign currency transactions

1. Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.
2. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.
3. Exchange differences (loss), arising from translation of foreign currency loans relating to fixed assets/capital work-in-progress to the extent regarded as an adjustment to interest cost are treated as borrowing cost.
4. Exchange differences arising from settlement/translation of foreign currency loans (other than regarded as borrowing cost), deposits/liabilities relating to fixed assets/capital work-in-progress in respect of transactions entered prior to 01.04.2004, are adjusted in the carrying cost of related assets. Such exchange differences arising from settlement/translation of long term foreign currency monetary items in respect of transactions entered on or after 01.04.2004 are adjusted in the carrying cost of related assets.
5. Other exchange differences are recognized as income or expense in the period in which they arise.

I. Borrowing costs

Borrowing costs attributable to the fixed assets during construction/exploration, renovation and modernisation are capitalised. Such borrowing costs are apportioned on the average balance of capital work-in-progress for the year. Other borrowing costs are recognised as an expense in the period in which they are incurred.

J. Investments

1. Current investments are valued at lower of cost and fair value determined on an individual investment basis.
2. Long term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.
3. Premium paid on long term investments is amortised over the period remaining to maturity.

K. Inventories

1. Inventories are valued at the lower of, cost determined on weighted average basis, and net realizable value.
2. The diminution in the value of obsolete, unserviceable and surplus stores and spares is ascertained on review and provided for.

L. Income recognition

1. Sale of energy is accounted for based on tariff rates approved by the Central Electricity Regulatory Commission (CERC) 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, provisional rates are adopted.
2. Advance against depreciation considered as deferred revenue in earlier years is included in sales, to the extent depreciation recovered in tariff during the year is lower than the corresponding depreciation charged.
3. Exchange differences on account of translation of foreign currency borrowings recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability'. The increase or decrease in depreciation or interest and finance charges for the year due to the accounting of such exchange differences as per accounting policy no. H is adjusted in sales.
4. Exchange differences arising from settlement/translation of monetary items denominated in foreign currency (other than long term) to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability' during construction period and adjusted in the year in which the same becomes recoverable/payable.
5. The surcharge on late payment/overdue sundry debtors for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.
6. Interest/surcharge recoverable on advances to suppliers as well as warranty claims/liquidated damages wherever there is uncertainty of realisation/acceptance are not treated as accrued and are therefore accounted for on receipt/acceptance.
7. Income from consultancy services is accounted for on the basis of actual progress/technical assessment of work executed, in line with the terms of respective consultancy contracts. Claims for reimbursement of expenditure are recognized as other income, as per the terms of consultancy service contracts.
8. Scrap other than steel scrap is accounted for as and when sold.
9. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realisation.

M. Expenditure

1. Depreciation on the assets of the generation of electricity business is charged on straight line method following the rates and methodology notified by the CERC Tariff Regulations, 2009.
2. Depreciation on the assets of the coal mining, oil & gas exploration and consultancy business, is charged on straight line method following the rates specified in Schedule XIV of the Companies Act, 1956.
3. Depreciation on the following assets is provided based on their estimated useful life:

a) Kutcha Roads	2 years
b) Enabling works	
- residential buildings including their internal electrification.	15 years
- non-residential buildings including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips.	5 years
c) Personal computers & laptops including peripherals	5 years
d) Photocopiers and fax machines	5 years
e) Water coolers and refrigerators	12 years

4. Depreciation on additions to/deductions from fixed assets during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposal.
5. Assets costing up to ₹ 5000/- are fully depreciated in the year of acquisition.
6. Cost of software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or 3 years, whichever is less. Other intangible assets are amortized on straight line method over the period of legal right to use following the rates and methodology notified by CERC Tariff Regulations, 2009.
7. Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, change in duties or similar factors, the unamortised balance of such asset is charged off prospectively at the rates and methodology notified by CERC Tariff Regulations, 2009/ revised useful life determined based on rates specified in Schedule XIV of the Companies Act, 1956.
8. Where the life and/or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.
9. Machinery spares which can be used only in connection with an item of plant and machinery and their use is expected to be irregular, are capitalised and fully depreciated over the residual useful life of the related plant and machinery at the rates and methodology notified by CERC Regulations, 2009, for such items of plant and machinery.
10. Capital expenditure on assets not owned by the company is amortised over a period of 4 years from the month in which the first unit of project concerned comes into commercial operation and thereafter from the month in which the relevant asset becomes available for use. However, similar expenditure for community development is charged off to revenue.
11. Leasehold land and buildings are fully amortised over 25 years or lease period whichever is less following the rates and methodology notified by CERC Tariff Regulations, 2009. Leasehold land acquired on perpetual lease is not amortised.
12. Land acquired under Coal Bearing Areas (Acquisition & Development) Act, 1957 is amortised on the basis of lease period or balance useful life of the respective project whichever is less.
13. Expenses on ex-gratia payments under voluntary retirement scheme, training & recruitment and research & development are charged to revenue in the year incurred.
14. Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to revenue.
15. Actuarial gains/losses in respect of 'Employee Benefit Plans' are recognised in the Statement of Profit and Loss Account.
16. Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.
17. Prepaid expenses and prior period expenses/income of items of ₹ 100,000/- and below are charged to natural heads of accounts.
18. Carpet coal is charged off to coal consumption. However, during pre-commissioning period, carpet coal is retained in inventories and charged off to consumption in the first year of commercial operation. Transit and handling losses of coal as per norms are included in cost of coal.

N. Leases

1. Finance lease

- 1.1 Assets taken on finance lease are capitalized at fair value or net present value of the minimum lease payments, whichever is less.
- 1.2 Depreciation on the assets taken on finance lease is charged at the rate applicable to similar type of fixed assets as per accounting policy no. M.1 or M.2. If the leased assets are returnable to the lessor on the expiry of the lease period, depreciation is charged over its useful life or lease period, whichever is less.

1.3 Lease payments are apportioned between the finance charges and outstanding liability in respect of assets taken on lease.

2. Operating lease

Assets acquired on lease where a significant portion of the risk and rewards of the ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to revenue.

O. Provisions and contingent liabilities

A provision is recognised when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value. 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.

P. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statements'.

OTHER NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR 2014-15 - STANDALONE

1. Share capital

	31.03.2015	31.03.2014
As at		
	31.03.2015	31.03.2014
Equity share capital		
Authorised		
10,00,00,00,000 shares of par value ₹10/- each (previous year 10,00,00,00,000 shares of par value ₹10/- each)	<u>10,000.00</u>	<u>10,000.00</u>
Issued, subscribed and fully paid up		
8,24,54,64,400 shares of par value ₹10/- each (previous year 8,24,54,64,400 shares of par value ₹10/- each)	<u>8,245.46</u>	<u>8,245.46</u>

- a) During the year, the Company has neither issued nor bought back any shares.
- b) The Company has only one class of equity shares having a par value ₹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.
- c) During the year, the Company has issued, out of the free reserves, 8.49% secured non-cumulative non-convertible redeemable taxable fully paid-up bonus debenture of ₹ 12.50 each for every fully paid-up equity share of par value of ₹ 10/-. Refer Note 2 (c).
- d) During the year ended 31st March 2015, the amount of per share dividend recognised as distribution to equity share holders is ₹ 2.50 (previous year ₹ 5.75).
- e) Details of shareholders holding more than 5% shares in the Company:

Particulars	31.03.2015		31.03.2014	
	No. of shares	%age holding	No. of shares	%age holding
- President of India	6,18,06,14,980	74.96	6,18,40,98,300	75.00
- Life Insurance Corporation of India	81,75,85,952	9.92	70,67,78,072	8.57

2. Reserves and surplus

	₹ Crore	
As at	31.03.2015	31.03.2014
Capital reserve		
As per last financial statements	158.28	154.57
Add : Transfer from surplus	0.12	4.98
Grants received during the year	-	0.65
Less: Adjustments during the year	0.02	1.92
	158.38	158.28
Securities premium account		
As per last financial statements	2,228.34	2,228.11
Add : Received during the year	-	0.23
	2,228.34	2,228.34
Bonds/Debentures redemption reserve		
As per last financial statements	2,764.91	2,535.33
Add : Transfer from surplus	1,156.19	576.08
Less: Transfer to surplus	296.50	346.50
	3,624.60	2,764.91
Fly ash utilisation reserve fund		
As per last financial statements	-	-
Add: Transfer from		
NTPC Vidyut Vyapar Nigam Ltd. (NVVN)	389.16	-
Revenue from operations	25.17	-
Other income	2.52	-
Less: Utilised during the year		
Capital expenditure	3.71	-
Employee benefits expense	3.08	-
Other administration expenses	8.92	-
	401.14	-
Corporate social responsibility (CSR) reserve		
As per last financial statements	-	-
Add : Transfer from surplus	78.30	-
	78.30	-
General reserve		
As per last financial statements	71,702.80	66,702.80
Add : Transfer from surplus	7,000.00	5,000.00
Less: Issue of bonus debentures	10,306.83	-
Dividend distribution tax on bonus debentures	2,060.76	-
Adjustments during the year	3.58	-
	66,331.63	71,702.80

Surplus

As per last financial statements	715.53	521.24
Add: Profit for the year as per Statement of Profit and Loss	10,290.86	10,974.74
Transfer from bonds/debentures redemption reserve	296.50	346.50
Less: Transfer to bonds/debentures redemption reserve	1,156.19	576.08
Transfer to capital reserve	0.12	4.98
Transfer to CSR reserve	78.30	-
Transfer to general reserve	7,000.00	5,000.00
Dividend paid	618.42	3,298.19
Tax on dividend paid	123.65	560.53
Proposed dividend	1,442.96	1,442.96
Tax on proposed dividend	293.75	244.21
Net surplus	589.50	715.53
Total	73,411.89	77,569.86

- a) Pursuant to gazette notification dated 3rd 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 utilized only for the development of infrastructure or facility, promotion & facilitation activities for use of fly ash until 100 percent fly ash utilization level is achieved. Sale of fly ash and ash products generated at the power stations of the Company was carried out till 31st December 2014 by NVVN, a wholly owned subsidiary of the Company. As per the decision of the Board of Directors of the Company, such sales are directly made by the Company w.e.f 1st January 2015. Accordingly, unutilized balance of fly ash utilization reserve fund of ₹ 389.16 crore has been transferred from NVVN.

For the period from January 2015 to March 2015, proceeds of ₹ 25.17 crore from sale of ash/ash products, ₹ 2.52 crore towards income on investment have been transferred to fly ash utilisation reserve fund. Further, ₹ 15.71 crore has been utilized from the fly ash utilisation reserve fund on expenses incurred for activities as specified in the aforesaid notification of MOEF.

Out of fund balance of ₹ 401.14 crore, ₹ 226.60 crore is invested in mutual funds (Note 16). Further, ₹ 157.11 crore has been invested by NVVN in fixed deposits which shall be transferred to the Company on maturity and has been disclosed as recoverable from NVVN under Advances - others (Note 20). The balance amount has been kept in cash and bank balances (Note 19).

- b) In terms of Section 135 of the Companies Act, 2013 read with guidelines on corporate social responsibility issued by Department of Public Enterprises (DPE), 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 Company has spent an amount of ₹ 205.18 crore during the year and the unspent balance amount of ₹ 78.30 crore has been appropriated to CSR reserve from surplus. Refer Note 54.
- c) During the year, the Company, out of free reserves issued one 8.49 % secured non-cumulative non-convertible redeemable taxable fully paid-up debenture of ₹ 12.50 by way of bonus for each fully paid-up equity share of par value ₹ 10/-. The debenture amount of ₹ 10,306.83 crore and dividend distribution tax thereon of ₹ 2,060.76 crore has been debited to general reserve.
- d) In line with the provisions of Schedule-II to the Companies Act, 2013, the Company revised accounting policies related to depreciation. Consequently, ₹ 3.58 crore (net of deferred tax of ₹ 1.89 crore) has been adjusted from the opening balance of general reserve where the remaining useful life of assets is Nil as at 1st April 2014.
- e) During the year, the Company has paid interim dividend of ₹ 0.75 (previous year ₹ 4.00) per equity share of par value ₹ 10/- each for the year 2014-15. Further, the Company has proposed final dividend of ₹ 1.75 (previous year ₹ 1.75) per equity share of par value ₹ 10/- each for the year 2014-15. Thus, the total dividend (including interim dividend) for the financial year 2014-15 is ₹ 2.50 (previous year ₹ 5.75) per equity share of par value ₹ 10/- each.

3. Deferred revenue

	₹ Crore	
As at	31.03.2015	31.03.2014
On account of advance against depreciation	409.20	692.55
On account of income from foreign currency fluctuation	984.95	917.33
Total	<u>1,394.15</u>	<u>1,609.88</u>

- a) Advance against depreciation (AAD) was an element of tariff provided under the Tariff Regulations for 2001-04 and 2004-09 to facilitate debt servicing by the generators since it was considered that depreciation recovered in the tariff considering a useful life of 25 years is not adequate for debt servicing. Though this amount is not repayable to the beneficiaries, keeping in view the matching principle, and in line with the opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI), this was treated as deferred revenue to the extent depreciation chargeable in the accounts is considered to be higher than the depreciation recoverable in tariff in future years. Since AAD is in the nature of deferred revenue and does not constitute a liability, it has been disclosed in this note separately from shareholders' funds and liabilities.
- b) The balance of AAD as at 31st March 2014 was reviewed considering the accounting policy no. M.2 and excess of depreciation charged in the books over the depreciation recovered in tariff, amounting to ₹ 208.32 crore has been recognised as prior period sales (Note 27).
- c) In line with significant accounting policy no. M.2, an amount of ₹ 75.03 crore (previous year ₹ 16.05 crore) has been recognized during the year from the AAD and included in energy sales (Note 22).
- d) 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 asset by corresponding credit to deferred income from foreign currency fluctuation in respect of the FERV on foreign currency loans adjusted in the cost of fixed assets, which is recoverable from the customers in future years as provided in accounting policy no. M.3. This amount will be recognized as revenue corresponding to the depreciation charge in future years. The amount does not constitute a liability to be discharged in future periods and hence, it has been disclosed separately from shareholder's funds and liabilities.

4. Long-term borrowings

	₹ Crore	
As at	31.03.2015	31.03.2014
Bonds/debentures		
Secured		
8.61% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2034 (Fifty First Issue C - Private Placement) ^{III} . Secured during the current year.	320.00	320.00
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹1,000/- each redeemable at par in full on 16 th December 2033 (Fiftieth Issue - Public Issue - Series 3A) ^{VII}	312.03	312.03
8.91% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2033 (Fiftieth Issue - Public Issue - Series 3B) ^{VII}	399.97	399.97
8.63% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2029 (Fifty First Issue B - Private Placement) ^{III} . Secured during the current year.	105.00	105.00
8.48% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2028 (Fiftieth Issue - Public Issue - Series 2A) ^{VII}	249.95	249.95
8.73% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2028 (Fiftieth Issue - Public Issue - Series 2B) ^{VII}	91.39	91.39
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 22 nd September 2024 (Fifty Third Issue - Private Placement) ^{IX} .	1,000.00	-
9.34% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 24 th March 2024 (Fifty Second Issue - Private Placement) ^{III} . Secured during the current year.	750.00	750.00
8.19% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2024 (Fifty First Issue A - Private Placement) ^{III} . Secured during the current year.	75.00	75.00
8.41% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2023 (Fiftieth Issue - Public Issue - Series 1A) ^{VII}	488.02	488.02
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2023 (Fiftieth Issue - Public Issue - Series 1B) ^{VII}	208.64	208.64
9.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 04 th May 2023 and ending on 04 th May 2027 (Forty Fourth Issue - Private Placement) ^{VII}	500.00	500.00
8.48% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 1 st May 2023 (Seventeenth Issue - Private Placement) ^I	50.00	50.00
8.80% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th April 2023 (Forty Ninth Issue - Private Placement) ^{VII}	200.00	200.00

4. Long-term borrowings

	₹ Crore	
As at	31.03.2015	31.03.2014
8.49% Secured non-cumulative non-convertible redeemable taxable fully paid-up bonus debentures of ₹ 12.50 each redeemable at par in three annual installments of ₹ 2.50, ₹ 5.00 and ₹ 5.00 at the end of 8 th year, 9 th year and 10 th year on 25 th March 2023, 25 th March 2024 and 25 th March 2025 respectively (Fifty Fourth Issue -Bonus Debentures) ^X - (refer Note 5 d)	10,306.83	-
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 7 th March 2023 (Forty Eighth Issue - Private Placement) ^{VII}	300.00	300.00
9.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 25 th January 2023 and ending on 25 th January 2027 (Forty Second Issue - Private Placement) ^{III}	500.00	500.00
8.84% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th October 2022 (Forty Seventh Issue - Private Placement) ^{VII}	390.00	390.00
8.93% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 19 th January 2021 (Thirty Seventh Issue - Private placement) ^{III}	300.00	300.00
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 31 st March 2020 (Thirty Third Issue- Private Placement) ^{III}	195.00	195.00
8.78% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 9 th March 2020 (Thirty First Issue- Private Placement) ^{III}	500.00	500.00
11.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in five equal annual installments commencing from 6 th November 2019 and ending on 6 th November 2023 (Twenty Seventh Issue - Private Placement) ^{III}	350.00	350.00
7.89% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 5 th May 2019 (Thirtieth Issue - Private Placement) ^{III}	700.00	700.00
8.65% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th February 2019 (Twenty Ninth Issue - Private Placement) ^{III}	550.00	550.00
7.50% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 12 th January 2019 (Nineteenth Issue - Private Placement) ^{II}	50.00	50.00
11.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 21 st November 2018 (Twenty Eighth Issue - Private Placement) ^{III}	1,000.00	1,000.00
9.3473% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 20 th July 2018 and ending on 20 th July 2032 (Forty Sixth Issue - Private Placement) ^{VII}	75.00	75.00

4. Long-term borrowings

	₹ Crore	
As at	31.03.2015	31.03.2014
9.4376% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 16 th May 2018 and ending on 16 th May 2032 (Forty Fifth Issue - Private Placement) ^{VII}	75.00	75.00
8.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 10 th April 2018 (Sixteenth Issue -Private Placement) ^I	100.00	100.00
9.2573% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 2 nd March 2018 and ending on 2 nd March 2032 (Forty Third Issue - Private Placement) ^{III}	75.00	75.00
9.6713 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 23 rd December 2017 and ending on 23 rd December 2031 (Forty First Issue - Private Placement) ^{III}	75.00	75.00
9.558 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 29 th July 2017 and ending on 29 th July 2031 (Fortieth Issue - Private Placement) ^{III}	75.00	75.00
9.3896% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 9 th June 2017 and ending on 9 th June 2031 (Thirty Ninth Issue - Private Placement) ^{III}	105.00	105.00
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 22 nd March 2017 and ending on 22 nd March 2031 (Thirty Eighth Issue - Private Placement) ^{III}	75.00	75.00
8.8086% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th December 2016 and ending on 15 th December 2030 (Thirty Sixth Issue - Private Placement) ^{III}	75.00	75.00
8.785% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th September 2016 and ending on 15 th September 2030 (Thirty Fifth Issue - Private Placement) ^{III}	120.00	120.00

4. Long-term borrowings

	₹ Crore	
As at	31.03.2015	31.03.2014
8.71% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 10 th June 2016 and ending on 10 th June 2030 (Thirty Fourth Issue - Private Placement) ^{III}	150.00	150.00
8.8493% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 25 th March 2016 and ending on 25 th March 2030 (Thirty Second Issue - Private Placement) ^{III}	98.00	105.00
9.37% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty Fifth Issue - Private Placement) ^{III}	214.00	285.50
9.06% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty Sixth Issue - Private Placement) ^{III}	214.00	285.50
8.6077% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 9 th September 2011 and ending on 9 th March 2021 (Twenty Fourth Issue - Private Placement) ^{IV}	250.00	300.00
8.3796% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 5 th August 2011 and ending on 5 th February 2021 (Twenty Third Issue - Private Placement) ^{IV}	250.00	300.00
8.1771% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd July 2011 and ending on 2 nd January 2021 (Twenty Second Issue - Private Placement) ^{IV}	250.00	300.00
7.7125% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd August 2010 and ending on 2 nd February 2020 (Twenty First Issue - Private Placement) ^V	400.00	500.00
7.552% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 23 rd September 2009 and ending on 23 rd March 2019 (Twentieth Issue - Private Placement) ^{VI}	150.00	200.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each with ten equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of the 6 th year and in annual installments thereafter upto the end of 15 th year respectively from 30 th April 2002 (Thirteenth Issue - Part B - Private Placement) ^{VIII}	150.00	225.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each redeemable at par in ten equal annual installments commencing from the end of 6 th year and upto the end of 15 th year respectively from 18 th April 2002 (Thirteenth Issue -Part A - Private Placement) ^{VIII}	150.00	225.00

4. Long-term borrowings

	₹ Crore	
As at	31.03.2015	31.03.2014
	23,017.83	12,311.00
Foreign currency notes		
Unsecured		
4.375 % Fixed rate notes due for repayment on 26 th November 2024	3,159.50	-
4.750 % Fixed rate notes due for repayment on 3 rd October 2022	3,159.50	3,030.50
5.625 % Fixed rate notes due for repayment on 14 th July 2021	3,159.50	3,030.50
5.875 % Fixed rate notes due for repayment on 2 nd March 2016	-	1,818.30
Term loans		
From Banks		
Unsecured		
Foreign currency loans	8,362.55	6,290.80
Rupee loans	20,835.85	18,876.32
From Others		
Unsecured		
Foreign currency loans (guaranteed by GOI)	2,035.26	2,456.03
Other foreign currency loans	2,815.56	2,026.88
Rupee loans	11,918.65	12,503.04
Deposits		
Unsecured		
Fixed deposits	-	0.09
Long term maturities of finance lease obligations		
Unsecured	68.13	62.29
Total	78,532.33	62,405.75

a) **Details of terms of repayment and rate of interest**

₹ Crore

Particulars	Non current portion		Current portion		Total	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Term loans						
Unsecured						
Foreign currency loans (guaranteed by GOI) - Others	2,035.26	2,456.03	154.61	173.40	2,189.87	2,629.43
Foreign currency loans - Banks	8,362.55	6,290.80	281.82	257.84	8,644.37	6,548.64
Other foreign currency loans - Others	2,815.56	2,026.88	406.02	393.67	3,221.58	2,420.55
Rupee loans - Banks	20,835.85	18,876.32	2,540.48	1,758.56	23,376.33	20,634.88
Rupee loans - Others	11,918.65	12,503.04	1,584.38	1,587.52	13,503.03	14,090.56
Total	45,967.87	42,153.07	4,967.31	4,170.99	50,935.18	46,324.06
Fixed deposits (unsecured)	-	0.09	-	0.43	-	0.52

- i) Unsecured foreign currency loans (guaranteed by GOI) - Others carry fixed rate of interest ranging from 1.80% p.a. to 2.30% p.a. and are repayable in 23 to 32 semi annual installments as of 31st March 2015.
- ii) Unsecured foreign currency loans – Banks include loans of ₹ 642.54 crore (previous year ₹ 589.81 crore) which carry fixed rate of interest of 1.88% p.a. to 4.31% p.a. and loans of ₹ 8,001.83 crore (previous year ₹ 5,958.83 crore) which carry floating rate of interest linked to 6M LIBOR. These loans are repayable in 2 to 24 semiannual installments as of 31st March 2015, commencing after moratorium period if any, as per the terms of the respective loan agreements.
- iii) Unsecured foreign currency loans – Others include loans of ₹ 2,516.58 crore (previous year ₹ 1,424.92 crore) which carry fixed rate of interest ranging from 1.88% p.a. to 4.31% p.a. and loans of ₹ 705.00 crore (previous year ₹ 995.63 crore) which carry floating rate of interest linked to 6M LIBOR/6M EURIBOR. These loans are repayable in 4 to 22 semiannual installments as of 31st March 2015, commencing after moratorium period if any, as per the terms of the respective loan agreements.
- iv) Unsecured rupee term loans carry interest rate ranging from 7.00 % p.a. to 12.40 % p.a. with monthly/half-yearly rests. These loans are repayable in quarterly/half-yearly/yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of seven to ten years after a moratorium period of six months to six years.
- b) The finance lease obligations are repayable in installments as per the terms of the lease agreement over a period of seven years.
- c) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.
- d) During the year, the Company out of free reserves issued one 8.49% secured non-cumulative non-convertible redeemable taxable fully paid-up debenture of ₹ 12.50 by way of bonus for each fully paid-up equity share of par value of ₹ 10/- amounting to ₹ 10,306.83 crore. Refer Note 2 (c). An amount of ₹ 5,650.00 crore has been utilized till 31st March 2015 for the purpose mentioned in the Scheme of Arrangement.
- e) The non current portion of fixed deposits has been repaid during the year in compliance to the provisions of the Companies Act, 2013.

Details of securities

- I Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to National Capital Power Station.
- II Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydrel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyaachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement.
- III Secured by (I) English mortgage, on first pari passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Sipat Super Thermal Power Project by extension of charge already created.
- IV Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of the title deeds of the immovable properties pertaining to Sipat Super Thermal Power Project.
- V Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Barh Super Thermal Power Project on first pari-passu charge basis, ranking pari passu with charge already created in favour of Trustee for other Series of Bonds and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Ramagundam Super Thermal Power Station by extension of charge already created.
- VI Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to Ramagundam Super Thermal Power Station.
- VII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to National Capital Power Station by extension of charge already created.
- VIII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydrel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyaachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Singrauli Super Thermal Power Station by extension of charge already created.
- IX Secured by English mortgage of the immovable properties pertaining to Solapur Super Thermal Power Project on first charge basis.
- X Secured by Equitable mortgage of the immovable properties pertaining to Barh Super Thermal Power Project on first charge basis.
- XI Security cover mentioned at sl. no. I to X is above 100% of the debt securities outstanding.

5. Deferred tax liabilities (net)

	₹ Crore		
	As at 01.04.2014	Additions/ (Adjustments) during the year	As at 31.03.2015
Deferred tax liability			
Difference in book depreciation and tax depreciation	6,715.69	1,045.82	7,761.51
Less: Deferred tax assets			
Provisions & other disallowances for tax purposes	768.84	(68.22)	700.62
Disallowances u/s 43B of the Income Tax Act, 1961	392.59	69.46	462.05
	<u>5,554.26</u>	<u>1,044.58</u>	6,598.84
Less: Deferred asset for deferred tax liability	<u>4,502.65</u>	<u>1,117.12</u>	5,619.77
Total	<u>1,051.61</u>	<u>(72.54)</u>	979.07

- a) The net decrease during the year in the deferred tax liability of ₹ 70.65 crore (previous year increase of ₹ 136.31 crore) has been credited to the Statement of Profit and Loss. Further, an amount of ₹ 1.89 crore has been credited to general reserve during the year 2014-15, refer Note 2 d).
- b) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.
- c) CERC Regulations, 2014 provide for recovery of deferred tax liability as on 31st March 2009 from the beneficiaries. Accordingly, deferred tax liability as on 31st March 2009 is recoverable on materialisation from the beneficiaries. For the period commencing from 1st April 2014, Regulations, 2014 provide for grossing up of the 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. Deferred asset for deferred tax liability for the year will be reversed in future years when the related deferred tax liability forms a part of current tax.

6. Other long-term liabilities

	₹ Crore	
As at	31.03.2015	31.03.2014
Trade payables	8.96	5.59
Deferred foreign currency fluctuation liability	257.74	151.67
Other liabilities		
Payable for capital expenditure	2,617.86	2,353.46
Others	2.03	1.74
Total	2,886.59	2,512.46

- a) Disclosure with respect to micro and small enterprises as required by the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is made in Note 50.
- b) In line with accounting policy no.M.4, deferred foreign currency fluctuation liability to the extent of ₹ 106.07 crore (previous year ₹ 16.07 crore) has been created during the year.
- c) Other liabilities - Others include deposits received from contractors, customers and other parties.

7. Long-term provisions

	₹ Crore	
As at	31.03.2015	31.03.2014
Provision for employee benefits	1,115.71	879.36

Disclosures as per AS 15 on 'Employee benefits' is made in Note 39.

8. Trade payables

	₹ Crore	
As at	31.03.2015	31.03.2014
For goods and services	5,953.15	6,429.60

Disclosure with respect to micro and small enterprises as required by the MSMED Act is made in Note 50.

9. Other current liabilities

	₹ Crore	
As at	31.03.2015	31.03.2014
Current maturities of long term borrowings		
Bonds - Secured	600.00	593.00
5.875 % Foreign currency fixed rate notes - Unsecured	1,895.70	-
From Banks		
Unsecured		
Foreign currency loans	281.82	257.84
Rupee term loans	2,540.48	1,758.56
From Others		
Unsecured		
Foreign currency loans (guaranteed by GOI)	154.61	173.40
Other foreign currency loans	406.02	393.67
Rupee term loans	1,584.38	1,587.52
Fixed deposits	-	0.43
	<u>7,463.01</u>	<u>4,764.42</u>
Current maturities of finance lease obligations -Secured	-	0.05
Interest accrued but not due on borrowings	727.30	705.04
Unpaid dividends	14.95	14.19
Unpaid matured deposits and interest accrued thereon	0.21	0.22
Unpaid matured bonds and interest accrued thereon	0.72	0.58
Unpaid bond refund money-Tax free bonds	0.16	0.52
Book overdraft	546.01	2.71
Advances from customers and others	461.70	383.42
Payable for capital expenditure	6,421.73	4,540.89
Derivative MTM liability	4.59	-
Other payables		
Tax deducted at source and other statutory dues	286.11	227.58
Deposits from contractors and others	124.85	112.01
Gratuity obligations	-	30.10
Payable to employees	318.74	271.59
Others	437.54	494.28
Total	<u><u>16,807.62</u></u>	<u><u>11,547.60</u></u>

- a) Details in respect of rate of interest and terms of repayment of current maturities of secured and unsecured long term borrowings indicated above are disclosed in Note 4.
- b) Unpaid dividends, matured deposits, bonds and interest include the amounts which have either not been claimed by the investors/holders of the equity shares/bonds/fixed deposits or are on hold pending legal formalities etc. Out of the above, the amount required to be transferred to Investor Education and Protection Fund has been transferred.
- c) Payable for capital expenditure includes liabilities of ₹ 142.92 crore (previous year ₹ 165.11 crore) towards an equipment supplier pending evaluation of performance and guarantee test results of steam/turbine generators at some of the stations. Pending settlement, liquidated damages recoverable for shortfall in performance of these equipments, if any, have not been recognised.
- d) The Company had obtained exemption from the Ministry of Corporate Affairs (MCA), GOI in respect of applicability of Section 58A of Companies Act,1956 in respect of public deposits, for the employees rehabilitation scheme deposits obtained from dependants of employees who die or suffer permanent total disability. Consequent upon enactment of the Companies Act, 2013, the Company has applied to the MCA for continuation of above exemption, which is still awaited. The Company has been advised that the exemption earlier granted shall hold good.
- e) Other payables - Others include amount payable to hospitals, retired employees, parties for stale cheques etc.

10. Short-term provisions

	₹ Crore	
As at	31.03.2015	31.03.2014
Provision for		
Employee benefits	1,174.66	1,078.98
Proposed dividend	1,442.96	1,442.96
Tax on proposed dividend	293.75	244.21
Obligations incidental to land acquisition	3,098.72	2,822.42
Tariff adjustment	1,243.64	1,275.70
Others	505.02	438.33
Total	7,758.75	7,302.60

- a) Disclosures required by AS 15 'Employee Benefits' is made in Note 39.
- b) Disclosure required by AS 29 'Provisions, Contingent Liabilities and Contingent Assets' is made in Note 48.
- c) The Company aggrieved over many of the issues as considered by the CERC in the tariff orders for its stations for the period 2004-09 had filed appeals with the Appellate Tribunal for Electricity (APTEL). The APTEL disposed off the appeals favourably directing the CERC to revise the tariff orders as per directions and methodology given. Some of the issues decided in favour of the Company by the APTEL were challenged by the CERC in the Hon'ble Supreme Court of India. Subsequently, the CERC has issued revised tariff orders for all the stations except one for the period 2004-09, considering the judgment of APTEL subject to disposal of appeals pending before the Hon'ble Supreme Court of India. Towards the above and other anticipated tariff adjustments, provision of ₹ 148.10 crore (previous year ₹ 121.32 crore) has been made during the year and in respect of some of the stations, an amount of ₹ 180.16 crore (previous year ₹ 162.56 crore) has been written back.
- d) Provision for others comprise ₹58.64 crore (previous year ₹ 53.64 crore) towards cost of unfinished minimum work programme demanded by the Ministry of Petroleum and Natural Gas (MoP&NG) including interest thereon in relation to block AA-ONN-2003/2 [Refer Note 46 (b) (ii)], ₹ 440.35 crore (previous year ₹ 378.52 crore) towards provision for litigation cases and ₹ 6.03 crore (previous year ₹ 6.17 crore) towards provision for shortage in fixed assets pending investigation.

11. Tangible assets

	₹ Crore									
	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2014	Additions	Deductions/ Adjustments	As at 31.03.2015	Upto 01.04.2014	For the year	Deductions/ Adjustments	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Land										
(including development expenses)										
Freehold	5,786.94	381.31	(354.96)	6,523.21	-	-	-	-	6,523.21	5,786.94
Leasehold	2,365.01	645.06	(155.97)	3,166.04	428.79	58.74	(12.16)	499.69	2,666.35	1,936.22
Roads, bridges, culverts & helipads	679.84	95.23	(76.93)	852.00	229.03	28.54	(0.16)	257.73	594.27	450.81
Building										
Freehold										
Main plant	4,669.42	313.62	(17.65)	5,000.69	1,466.67	135.66	-	1,602.33	3,398.36	3,202.75
Others	2,736.21	387.41	(56.88)	3,180.50	1,069.99	114.83	1.43	1,183.39	1,997.11	1,666.22
Leasehold	49.89	-	(0.11)	50.00	29.25	1.84	-	31.09	18.91	20.64
Temporary erection	35.15	5.95	1.75	39.35	33.09	6.59	1.45	38.23	1.12	2.06
Water supply, drainage & sewerage system	676.85	35.34	(8.35)	720.54	335.33	21.81	0.12	357.02	363.52	341.52
MGR track and signalling system	1,371.70	166.03	(4.28)	1,542.01	677.23	50.16	4.20	723.19	818.82	694.47
Railway siding	593.70	116.27	(40.76)	750.73	198.87	32.59	-	231.46	519.27	394.83
Earth dam reservoir	288.28	-	(1.82)	290.10	122.09	14.13	-	136.22	153.88	166.19
Plant and equipment										
Owned	95,150.67	5,928.49	(2,457.73)	1,03,536.89	38,979.36	4,548.75	421.09	43,107.02	60,429.87	56,171.31
Leased	60.00	-	-	60.00	1.06	3.17	-	4.23	55.77	58.94
Furniture and fixtures	449.71	36.23	1.21	484.73	262.11	18.73	2.77	278.07	206.66	187.60
Vehicles including speedboats										
Owned	11.06	2.12	0.41	12.77	5.36	0.84	0.25	5.95	6.82	5.70
Leased	0.59	-	0.59	-	0.54	0.04	0.58	-	-	0.05
Office equipment	175.82	24.86	4.43	196.25	85.26	13.10	1.59	96.77	99.48	90.56
EDP, WP machines and satcom equipment	400.46	35.20	12.23	423.43	283.39	37.54	6.22	314.71	108.72	117.07
Construction equipments	170.56	22.69	(0.10)	193.35	93.41	10.08	0.77	102.72	90.63	77.15
Electrical installations	434.19	31.03	(21.99)	487.21	177.62	18.17	0.01	195.78	291.43	256.57
Communication equipments	103.03	3.90	(0.03)	106.96	57.24	4.88	0.67	61.45	45.51	45.79
Hospital Equipments	36.40	3.36	(0.02)	39.78	17.28	1.44	0.11	18.61	21.17	19.12
Laboratory and workshop equipments	57.88	12.34	0.12	70.10	16.50	2.83	0.10	19.23	50.87	41.38
Assets under 5 KM scheme of the GOI	99.80	12.43	(4.64)	116.87	20.67	25.44	-	46.11	70.76	79.13
Capital expenditure on assets not owned by the Company	207.43	0.04	(10.52)	217.99	154.59	9.00	-	163.59	54.40	52.84
Assets of government	2.81	-	-	2.81	-	-	-	-	2.81	2.81
Less: Grants from government	2.81	-	-	2.81	-	-	-	-	2.81	2.81
Assets for ash utilisation*	-	17.30	-	17.30	-	-	-	-	17.30	-
Less: Adjusted from fly ash utilisation reserve fund	-	17.30	-	17.30	-	-	-	-	17.30	-
Total	1,16,610.59	8,258.91	(3,192.00)	1,28,061.50	44,744.73	5,158.90	429.04	49,474.59	78,586.91	71,865.86
Previous year	1,02,876.14	9,453.32	(4,281.13)	1,16,610.59	40,188.72	4,771.76	215.75	44,744.73	71,865.86	62,687.42

* Includes ₹ 13.59 crore transferred from NVVN for reimbursement from fly ash utilization fund. Also refer Note 2 a.

- The conveyancing of the title to **9,701 acres** of freehold land of value ₹ **1,963.33 crore** (previous year 10,806 acres of value ₹ 2,401.12 crore), buildings & structures of value ₹ **50.43 crore** (previous year ₹ 50.32 crore) and also execution of lease agreements for **13,844 acres** of land of value ₹ **1,718.54 crore** (previous year 11,039 acres, value ₹ 737.70 crore) in favour of the Company are awaiting completion of legal formalities.
- Leasehold land includes **2,748 acres** valuing ₹ **606.83 crore** (previous year 818 acres valuing ₹ 29.67 crore) acquired on perpetual lease and accordingly not amortised.
- Land does not include value of **33 acres** (previous year 33 acres) of land in possession of the Company. This will be accounted for on settlement of the price thereof by the State Government Authorities.
- Land includes **1,302 acres** of value ₹ **72.51 crore** (previous year 1,523 acres of value ₹ 173.82 crore) not in possession of the Company. The Company is taking appropriate steps for repossession of the same.
- Land includes an amount of ₹ **179.65 crore** (previous year ₹ 168.41 crore) deposited with various authorities in respect of land in possession which is subject to adjustment on final determination of price.
- Possession of land measuring **98 acres** (previous year 98 acres) consisting of **79 acres** of freehold land (previous year 79 acres) and **19 acres** of lease hold land (previous year 19 acres) of value ₹ **0.21 crore** (previous year ₹ 0.21 crore) was transferred to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (erstwhile UPSEB) for a consideration of ₹ **0.21 crore**. Pending approval for transfer of the said land, the area and value of this land has been included in the total land of the Company. The consideration received from erstwhile UPSEB is disclosed under Note -9- 'Other Current Liabilities' - as other liabilities.

g) Ministry of Power, Government of India vide its notification no. 2/38/99-BTPS (Volume VII) dated 22nd September 2006 transferred land of a power station to the Company on operating lease of 50 years. Lease rent for the year amounting to ₹ 6.24 crore (previous year ₹ 6.24 crore) has been charged to the Statement of Profit and Loss.

h) The Company has received an opinion from the EAC of the ICAI on accounting treatment of capital expenditure on assets not owned by the Company wherein it was opined that such expenditure are to be charged to the Statement of Profit and Loss as and when incurred. The Company has represented that such expenditure being essential for setting up of a project, the same be accounted in line with the existing accounting practice and sought a review.

During the year, ICAI has issued an exposure draft of AS-10 'Property, Plant & Equipment' which would replace the existing AS-10 'Accounting for Fixed Assets'. Para 9 of the said exposure draft and explanation thereto provides for capitalisation of such expenditure along-with the project cost. The final AS-10 'Property, Plant & Equipment' is yet to be issued by the Ministry of Corporate Affairs (MCA), GOI. Pending receipt of communication from the ICAI regarding the review of opinion & notification of the Revised AS-10 by the MCA, the Company continues to account for the said expenditure as per accounting policy no. E.4.

i) Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the generation plants of the Company in terms of Ministry of Power (MOP), Government of India scheme.

j) From the accounting periods commencing on or after 7th December 2006, the Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items relating to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset.

k) Refer Note 43 (a) (ii) regarding plant and equipment under finance lease.

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

	Gross Block		Depreciation/Amortisation	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Disposal of assets	11.80	9.33	9.56	7.34
Retirement of assets	582.82	284.52	437.86	207.79
Cost adjustments including exchange differences	(3,477.82)	(4,478.59)	-	-
Assets capitalised with retrospective effect/write back of excess capitalisation	(311.86)	(53.20)	(12.11)	(2.15)
Others	3.06	(43.19)	(6.27) *	2.77
	<u>(3,192.00)</u>	<u>(4,281.13)</u>	<u>429.04</u>	<u>215.75</u>

* Includes ₹ 5.47 crore (before adjustment of deferred tax) which has been adjusted from general reserve (refer Note 2 d).

m) The borrowing costs capitalised during the year is ₹ 2,969.11 crore (previous year ₹ 2,543.96 crore). The Company capitalised the borrowing costs in the capital work-in-progress (CWIP). Exchange differences capitalised are disclosed in the 'Addition' column of CWIP and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustment' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of fixed assets. Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of fixed assets and CWIP through 'Addition' or 'Deductions/Adjustments' column are given below:

	For the year ended 31st March 2015		For the year ended 31st March 2014	
	Exchg. Difference incl. in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP	Exchg. difference incl. in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP
Building				
Main plant	(16.90)	168.57	5.90	134.29
Others	(1.71)	47.83	0.92	38.83
Hydraulic works, barrages, dams, tunnels and power channel	-	375.67	-	302.47
MGR track and signalling system	-	13.19	0.03	12.94
Railway siding	(1.39)	16.53	0.03	22.27
Plant and equipment	43.75	1,948.61	1,119.78	1,777.90
Others including pending allocation	322.21	398.71	723.73	255.26
Total	<u>345.96</u>	<u>2,969.11</u>	<u>1,850.39</u>	<u>2,543.96</u>

Intangible assets

₹ Crore

	Gross Block				Amortisation				Net Block	
	As at 01.04.2014	Additions	Deductions/ Adjustments	As at 31.03.2015	Upto 01.04.2014	For the year	Deductions/ Adjustments	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Software	98.29	13.28	0.02	111.55	94.31	4.49	0.03	98.77	12.78	3.98
Right of use - Land	49.03	5.95	(1.48)	56.46	7.89	2.90	-	10.79	45.67	41.14
- Others	234.15	-	(13.93)	248.08	34.30	10.07	-	44.37	203.71	199.85
Total	381.47	19.23	(15.39)	416.09	136.50	17.46	0.03	153.93	262.16	244.97
Previous year	369.56	7.86	(4.05)	381.47	120.88	15.34	(0.28)	136.50	244.97	248.68

- a) The right of use of land & others are amortized over the period of legal right to use or life of the related plant, whichever is less.
- b) Right of use –land includes ₹ 50.58 crore (previous year ₹ 43.15 crore) and right to use-others includes ₹ 248.08 crore (previous year ₹ 234.15 crore) which are amortised over a period of more than ten years considering the useful life of these assets as per the related agreements/arrangements.
- c) Cost of acquisition of the right for drawl of water amounting to ₹ 248.08 crore (previous year ₹ 234.15 crore) is included under intangible assets – Right of use - Others.
- d) Deduction/adjustments from gross block and amortisation for the year includes:

	Gross Block		Amortisation	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Cost adjustments	(15.42)	(3.28)	-	-
Assets capitalised with retrospective effect/write back of excess capitalisation	-	(0.68)	-	(0.18)
Others	0.03	(0.09)	0.03	(0.10)
	(15.39)	(4.05)	0.03	(0.28)

Depreciation/amortisation of tangible and intangible assets for the year is allocated as given below:

	₹ Crore	
	31.03.2015	31.03.2014
Charged to Statement of Profit and Loss	4,911.65	4,142.19
Allocated to fuel cost	276.35	240.15
Transferred to expenditure during construction period (net) - Note 28	76.62	268.95
Transferred to development of coal mines	1.86	1.33
Adjustment with deferred income/expense from deferred foreign currency fluctuation	(90.12)	134.48
	5,176.36	4,787.10

12. Capital work-in-progress

	As at 01.04.2014	Additions	Deductions/ Adjustments	Capitalised	₹ Crore As at 31.03.2015
Development of land	610.99	204.85	153.67	-	662.17
Roads, bridges, culverts & helipads	152.75	102.58	43.65	95.23	116.45
Piling and foundation	608.33	33.98	0.80	-	641.51
Buildings					
Main plant	2,236.75	1,011.48	205.73	313.62	2,728.88
Others	798.55	693.36	(15.25)	381.14	1,126.02
Temporary erection	29.62	27.68	6.51	5.95	44.84
Water supply, drainage and sewerage system	58.80	27.88	(16.34)	35.00	68.02
Hydraulic works, barrages, dams, tunnels and power channel	4,755.85	528.18	15.06	-	5,268.97
MGR track and signalling system	267.73	121.46	9.44	166.03	213.72
Railway siding	277.89	229.42	66.50	116.27	324.54
Earth dam reservoir	48.75	29.61	1.76	-	76.60
Plant and equipment	28,148.08	17,105.01	1,924.30	5,820.05	37,508.74
Furniture and fixtures	19.60	24.98	(1.54)	22.96	23.16
Vehicles	0.20	-	(0.01)	0.21	-
Office equipment	3.70	2.93	0.09	4.93	1.61
EDP/WP machines & satcom equipment	1.24	2.32	0.17	1.33	2.06
Construction equipments	0.34	2.67	0.47	0.72	1.82
Electrical installations	102.25	197.06	9.40	24.94	264.97
Communication equipments	1.64	1.82	0.81	0.46	2.19
Hospital equipments	0.34	0.13	-	0.34	0.13
Laboratory and workshop equipments	0.37	0.10	0.17	0.24	0.06
Assets under 5 KM scheme of the GOI	12.49	5.29	5.35	12.43	-
Capital expenditure on assets not owned by the company	54.08	26.65	4.32	0.04	76.37
Development of coal mines	636.53	449.96	-	-	1,086.49
	38,826.87	20,829.40	2,415.06	7,001.89	50,239.32
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	147.26	18.56	(0.44)	-	166.26
Difference in exchange on foreign currency loans	1,500.25	317.63	289.46	-	1,528.42
Pre-commissioning expenses (net)	131.48	242.70	324.86	-	49.32
Expenditure during construction period (net)	514.89	3,870.06 *	90.39	-	4,294.56
Less: Allocated to related works	-	3,568.68	-	-	3,568.68
	41,120.75	21,709.67	3,119.33	7,001.89	52,709.20
Less: Provision for unserviceable works	69.22	41.95	5.18	-	105.99
Construction stores (net of provision)	3,835.21	24.69	-	-	3,859.90
Total	44,886.74	21,692.41	3,114.15	7,001.89	56,463.11
Previous year	37,109.42	18,488.10	3,043.29	7,667.49	44,886.74

* Brought from expenditure during construction period (net) - Note 28

a) Construction stores are net of provision for shortages pending investigation amounting to ₹ 4.69 crore (previous year ₹ 0.27 crore).

b) Pre-commissioning expenses for the year amount to ₹ 292.74 crore (previous year ₹ 346.09 crore) and after adjustment of pre-commissioning sales of ₹ 50.04 crore (previous year ₹ 29.06 crore) resulted in net pre-commissioning expenditure of ₹ 242.70 crore (previous year ₹ 317.03 crore).

c) Additions to the development of coal mines includes expenditure during construction period (net) of ₹ 153.90 crore (previous year ₹ 260.37 crore).

d) Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the generation plants of the Company in terms of Ministry of Power (MOP), Government of India scheme.

12A. Intangible assets under development

	As at 01.04.2014	Additions	Deductions/ Adjustments	Capitalised	₹ Crore As at 31.03.2015
Software	-	0.10	-	-	0.10
Exploratory wells-in-progress	9.57	30.15	1.80	-	37.92
	9.57	30.25	1.80	-	38.02
Less: Provision for unserviceable works	7.64	-	-	-	7.64
Total	1.93	30.25	1.80	-	30.38
Previous year	-	1.91	(0.02)	-	1.93

13. Non-current investments

As at			31.03.2015	₹ Crore 31.03.2014
	Number of shares/bonds/securities	Face value per share/bond/security	Current year/ (previous year)	Current year/ (previous year)
Long term - Trade				
Equity instruments (fully paid up - unless otherwise stated)				
Quoted				
PTC India Ltd.	12000000 (12000000)	10 (10)	12.00	12.00
			12.00	12.00
Unquoted				
Subsidiary companies				
NTPC Electric Supply Company Ltd.	80910 (80910)	10 (10)	0.08	0.08
NTPC Vidyut Vyapar Nigam Ltd.	20000000 (20000000)	10 (10)	20.00	20.00
Kanti Bijlee Utpadan Nigam Ltd.	65000000 (473001233)	10 (10)	650.00	473.00
Bhartiya Rail Bijlee Company Ltd.	1172613850 (774152309)	10 (10)	1,172.61	774.15
			1,842.69	1,267.23
Share application money pending allotment in				
Kanti Bijlee Utpadan Nigam Ltd.			-	39.51
Bhartiya Rail Bijlee Company Ltd.			-	60.66
			-	100.17
Joint venture companies				
Utility Powertech Ltd. (includes 1000000 bonus shares)	2000000 (2000000)	10 (10)	1.00	1.00
NTPC-Alstom Power Services Private Ltd.	3000000 (3000000)	10 (10)	3.00	3.00
NTPC-SAIL Power Company Private Ltd.	490250050 (490250050)	10 (10)	490.25	490.25
NTPC-Tamil Nadu Energy Company Ltd.	1325606112 (1265606112)	10 (10)	1,325.61	1,265.61
Ratnagiri Gas & Power Private Ltd.	974308300 (974308300)	10 (10)	974.30	974.30
Aravali Power Company Private Ltd.	1257508200 (1257508200)	10 (10)	1,257.51	1,257.51
NTPC-SCCL Global Ventures Private Ltd.	50000 (50000)	10 (10)	0.05	0.05
NTPC BHEL Power Projects Private Ltd.	50000000 (50000000)	10 (10)	50.00	50.00
Meja Urja Nigam Private Ltd.	412429800 (412429800)	10 (10)	412.43	412.43
BF-NTPC Energy Systems Ltd.	5880000 (5880000)	10 (10)	5.88	5.88
Less: Provision for diminution in value			3.35	-
			2.53	5.88
National Power Exchange Ltd.	2188325 (2188325)	10 (10)	2.19	2.19
Less: Provision for diminution in value			1.06	1.06
			1.13	1.13
Nabinagar Power Generating Company Private Ltd.	511125000 (470125000)	10 (10)	511.13	470.13
Transformers and Electricals Kerala Ltd.	19163438 (19163438)	10 (10)	31.34	31.34

As at			31.03.2015	₹ Crore 31.03.2014
	Number of shares/bonds/ securities	Face value per share/bond/ security		
	Current year/ (previous year)	Current year/ (previous year) (₹)		
National High Power Test Laboratory Private Ltd.	23900000 (14875000)	10 (10)	23.90	14.88
International Coal Ventures Private Ltd.	1400000 (1400000)	10 (10)	1.40	1.40
Energy Efficiency Services Ltd.	22500000 (22500000)	10 (10)	22.50	22.50
CIL NTPC Urja Private Ltd.	25000 (25000)	10 (10)	0.03	0.03
Anushakti Vidhyut Nigam Ltd.	49000 (49000)	10 (10)	0.05	0.05
Pan-Asian Renewables Private Ltd.	1500000 (1500000)	10 (10)	1.50	1.50
Less: Provision for diminution in value			1.28	-
			0.22	1.50
Trincomalee Power Company Ltd. (* Srilankan rupees)	2036061 (1500000)	100* (100)*	9.26	6.72
Bangladesh-India Friendship Power Company Pvt.Ltd. (* Bangladeshi Taka)	2000000 (800000)	100* (100)*	15.53	6.12
			5,133.17	5,015.83
Share application money pending allotment in				
NTPC-Tamilnadu Energy Company Ltd.			-	59.99
Aravali Power Company Private Ltd.			21.34	14.17
Meja Urja Nigam Private Ltd.			128.92	-
CIL NTPC Urja Private Ltd.			0.05	0.05
Bangladesh-India Friendship Power Company Pvt.Ltd.			15.90	-
			166.21	74.21
Cooperative societies			#	#
Bonds (fully paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of				
Andhra Pradesh	-	-	-	126.07
Assam	(1260650)	(1000)	-	5.15
Bihar	(51464)	(1000)	-	189.44
Chattisgarh	(1894400)	(1000)	-	48.32
Gujarat	(483220)	(1000)	-	83.72
Haryana	(837240)	(1000)	-	107.50
Himachal Pradesh	(1075000)	(1000)	-	3.34
Jammu and Kashmir	(33388)	(1000)	-	36.74
Jharkhand	(367360)	(1000)	-	96.01
Kerala	(960136)	(1000)	-	100.24
Madhya Pradesh	(1002400)	(1000)	-	83.08
Maharashtra	(830840)	(1000)	-	38.14
Orissa	(381400)	(1000)	-	110.29
	(1102874)	(1000)	-	

As at			₹ Crore	₹ Crore
			31.03.2015	31.03.2014
	Number of shares/bonds/ securities	Face value per share/bond/ security		
	Current year/ (previous year)	Current year/ (previous year) (₹)		
Punjab	-	-	-	34.62
	(346230)	(1000)		
Rajasthan	-	-	-	29.00
	(290000)	(1000)		
Sikkim	-	-	-	3.42
	(34196)	(1000)		
Uttar Pradesh	-	-	-	398.99
	(3989900)	(1000)		
Uttaranchal	-	-	-	39.97
	(399650)	(1000)		
West Bengal	-	-	-	117.42
	(1174248)	(1000)		
			-	1,651.46
Total			7,154.07	8,120.90
Aggregate amount of quoted investments				
Book value			12.00	12.00
Market value			97.08	81.36
Aggregate amount of unquoted investments				
Book value			7,142.07	8,108.90
Aggregate amount of provision for diminution in the value of investments			5.69	1.06

Equity shares of ₹ 30,200/- (previous year ₹ 30,200/-) held in various employee co-operative societies.

- Investments have been valued as per the accounting policy no.K.
- The Board of Directors of NTPC Limited in its meeting held on 27th January 2012 accorded in principle approval for withdrawal from International Coal Ventures Private Ltd. (a Joint Venture of the Company). Approval of the GoI for the same is awaited, subsequent to which, the process of withdrawal shall commence. No provision towards the diminution other than temporary in the value of investment in International Coal Ventures Private Ltd. is required to be made.
- The Board of Directors of NTPC Limited in its meeting held on 7th November 2012 has accorded in principle approval for withdrawal from National Power Exchange Ltd. (NPEX) (a Joint Venture of the Company). In the meeting of Group of Promoters (GOP) held on 21st March 2014, GOP recommended for voluntary winding up of NPEX and the same has been adopted by the Board of NPEX in its meeting held on 21st March 2014. Winding up of the Company is underway. Pending winding-up, provision of ₹ 1.06 crore (previous year ₹ 1.06 crore) towards the diminution other than temporary in the value of investment in NPEX has been made.
- The Board of Directors of NTPC Limited in its meeting held on 19th June 2014 has accorded in principle approval for withdrawal from BF-NTPC Energy Systems Ltd. (a joint venture of the Company). Pending withdrawal, provision of ₹ 3.35 crore (previous year Nil) towards the diminution other than temporary in the value of investment in BF-NTPC Energy Systems Ltd. has been made.
- The Board of Directors of NTPC Limited in its meeting held on 31st October 2014 approved the proposal for voluntary winding up of Pan-Asian Renewables Private Ltd. (a Joint Venture of the Company). Accordingly, a liquidator has been appointed for dissolution of the Company. The liquidation process is underway. Pending winding-up, provision of ₹ 1.28 crore (previous year Nil) towards the diminution other than temporary in the value of investment in Pan-Asian Renewables Private Ltd. has been made.
- M/s Ratnagiri Gas & Power Private Ltd (RGPPL), a joint venture of the company, has accumulated losses of ₹ 2463.35 crore as at 31st March, 2015 as per unaudited accounts. This includes ₹ 1904.34 crore due to postponement of revenue recognition on conservative basis for the years 2013-14 and 2014-15 in view of disputes raised by its beneficiary though these disputes have already been decided in favour of the RGPPL by the CERC and the APTEL. Keeping in view the ongoing efforts for revival of RGPPL, no provision has been made in respect of the Company's investment of ₹ 974.30 crore (previous year ₹ 974.30 crore) in RGPPL as the diminution in the value is considered as temporary.
- The Board of Directors of NTPC Limited in its meeting held on 25th March 2015 has accorded in principle approval for withdrawal from NTPC SCCL Global Ventures Pvt. Ltd. (a Joint Venture of the Company). No provision towards the diminution other than temporary in the value of investment in NTPC SCCL Global Ventures Pvt. Ltd. is required to be made.
- Restrictions for the disposal of investments held by the Company and commitments towards certain Subsidiary & Joint Venture entities are disclosed in Note 53 b) to 53 f).

14. Long-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2015	31.03.2014
Capital advances		
Secured	16.48	18.99
Unsecured		
Covered by bank guarantee	4,050.18	4,370.63
Others	3,654.03	4,255.36
Considered doubtful	2.06	2.59
Less: Allowance for bad & doubtful advances	2.06	2.59
	7,720.69	8,644.98
Security deposits (unsecured)	89.78	74.18
Loans		
Related parties		
Unsecured	-	0.01
Employees (including accrued interest)		
Secured	401.59	402.07
Unsecured	137.84	140.50
Loan to state government in settlement of dues from customers (Unsecured)	47.86	143.59
Others		
Secured	35.00	40.00
Unsecured	3.17	4.88
	625.46	731.05
Advances		
Contractors & suppliers		
Unsecured	2,278.48	607.52
Advance tax & tax deducted at source	11,692.79	9,434.36
Less: Provision for current tax	6,879.31	6,714.83
	4,813.48	2,719.53
Total	15,527.89	12,777.26
a) Due from directors and officers of the Company		
Directors (*₹20,305/-)	-	*
Officers (# ₹ 49,873/-)	#	0.01
b) Loans to related parties include:		
Key management personnel (# ₹ 49,873/- & *₹20,305/-)	#	*

14. Long-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2015	31.03.2014
c) Loans and advances include amounts given as advance in the ordinary course of business, to the following private companies in which one or more directors of the Company are directors:		
NTPC-Alstom Power Services Private Ltd.	17.96	0.04
NTPC BHEL Power Projects Private Ltd.	162.24	213.21
d) Capital advances include ₹ 268.72 crore (previous year ₹ 252.22 crore), paid to a contractor pending settlement of certain claims which are under arbitration. The amount will be adjusted in the cost of related work or recovered from the party, depending upon the outcome of the arbitration proceedings.		
e) Capital advances include advances to related parties of ₹ 17.96 crore (previous year ₹ 0.04 crore).		
f) Other loans include loan of ₹ 35.00 crore (previous year ₹ 40.00 crore) given to Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC) and ₹ 2.57 crore (previous year ₹ 4.29 crore) to Kanti Bijlee Utpadan Nigam Ltd.		
g) Advances to contractors & suppliers include payments to Railways under Customer funding model as per policy on 'Participative model for rail-connectivity and capacity augmentation projects' issued by Ministry of Railways, GOI. As per the policy, the railway projects agreed between the company and Railways will be constructed, maintained and operated by Railways and ownership of the line and its operations & maintenance will always remain with them. Railways will pay upto 7% of the amount invested through freight rebate on freight volumes every year till the funds provided by the Company are recovered with interest at a rate equal to the prevailing rate of dividend payable by Railways to General exchequer at the time of signing of the agreement, which is pending as at 31 st March 2015.		

15. Other non-current assets

	₹ Crore	
As at	31.03.2015	31.03.2014
Deferred foreign currency fluctuation asset	1,230.49	1,360.77
Claims recoverable	<u>466.28</u>	<u>426.00</u>
	<u><u>1,696.77</u></u>	<u><u>1,786.77</u></u>

- a) In line with accounting policy no. M.3 & M.4, deferred foreign currency fluctuation asset has been accounted and (-) ₹ 110.15 crore (previous year (-) ₹ 257.31 crore) being exchange fluctuations on account of foreign currency loans has been recognised as energy sales in Note 22.
- b) Claims recoverable represent the cost incurred upto 31st March 2015 in respect of one of the hydro power projects, the construction of which has been discontinued on the advice of the Ministry of Power (MOP), GOI. This includes ₹ 214.34 crore (previous year ₹ 176.22 crore) in respect of arbitration awards challenged by the Company before High Court. In the event the High Court grants relief to the Company, the amount would be adjusted against Short Term Provisions - Others (Note 10). Management expects that the total cost incurred, anticipated expenditure on the safety and stabilisation measures, other recurring site expenses and interest costs as well as claims of contractors/vendors for various packages for this project will be compensated in full by the GOI. Hence, no provision is considered necessary.

16. Current investments

		₹ Crore		
As at		31.03.2015	31.03.2014	
	Number of bonds/ securities	Face value per bond/ security		
	Current year/ (previous year)	Current year/ (previous year) (₹)		
Trade				
Current maturities of long term investments				
Bonds (fully-paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of				
Andhra Pradesh	1260650 (1260650)	1000 (1000)	126.07	126.07
Assam	51464 (51464)	1000 (1000)	5.15	5.15
Bihar	1894400 (1894400)	1000 (1000)	189.44	189.44
Chattisgarh	483220 (483220)	1000 (1000)	48.32	48.32
Gujarat	837240 (837240)	1000 (1000)	83.73	83.73
Haryana	1075000 (1075000)	1000 (1000)	107.50	107.50
Himachal Pradesh	33388 (33388)	1000 (1000)	3.34	3.34
Jammu and Kashmir	367360 (367360)	1000 (1000)	36.74	36.74
Jharkhand	960136 (960120)	1000 (1000)	96.01	96.01
Kerala	1002400 (1002400)	1000 (1000)	100.24	100.24
Madhya Pradesh	830840 (830840)	1000 (1000)	83.08	83.08
Maharashtra	381400 (381400)	1000 (1000)	38.14	38.14
Orissa	1102874 (1102874)	1000 (1000)	110.29	110.29
Punjab	346230 (346230)	1000 (1000)	34.62	34.62
Rajasthan	290000 (145000)	1000 (1000)	29.00	14.50
Sikkim	34196 (34196)	1000 (1000)	3.42	3.42
Uttar Pradesh	3989900 (3989900)	1000 (1000)	398.99	398.99
Uttaranchal	399650 (399650)	1000 (1000)	39.96	39.96
West Bengal	1174248 (1174248)	1000 (1000)	117.42	117.42
			1,651.46	1,636.96
Investment in mutual funds (unquoted)				
UTI Liquid Cash Plan-IP-Direct-DDR *			151.36	-
IDBI Liquid Fund-Direct-DDR *			75.24	-
Total			1,878.06	1,636.96

		₹ Crore	
As at		31.03.2015	31.03.2014
	Number of bonds/ securities	Face value per bond/ security	
	Current year/ (previous year)	Current year/ (previous year) (₹)	
Aggregate amount of unquoted investments			
Book value		1,878.06	1,636.96
* Investments out of fly ash utilization reserve fund.			
a) Investments have been valued as per accounting policy no.K.			
b) The above investments are unquoted and hence market value is not applicable.			

17. Inventories

	₹ Crore	
As at	31.03.2015	31.03.2014
Coal	3,827.37	1,957.45
Fuel oil	344.06	337.51
Naphtha	139.81	119.81
Stores & spares	2,631.31	2,493.77
Chemicals & consumables	66.21	62.66
Loose tools	7.22	6.55
Steel scrap	20.59	22.15
Others	502.21	446.09
	7,538.78	5,445.99
Less: Provision for shortages	4.48	2.17
Provision for obsolete/unserviceable items/ diminution in value of surplus inventory	81.30	70.47
Total	7,453.00	5,373.35
Inventories include material-in-transit		
Coal	421.24	143.65
Stores & spares	35.59	37.10
Chemicals & consumables	0.38	0.82
Loose tools	0.04	0.27
Others	0.84	4.30
	458.09	186.14

- a) Inventory items, other than steel scrap have been valued as per accounting policy no.L.1. Steel scrap has been valued at estimated realisable value.
- b) Inventories - Others includes steel, cement, ash bricks etc.

18. Trade receivables

	₹ Crore	
As at	31.03.2015	31.03.2014
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	17.19	5.91
Considered doubtful	<u>0.20</u>	<u>0.03</u>
	<u>17.39</u>	<u>5.94</u>
Others		
Unsecured, considered good	7,587.18	5,214.17
	<u>7,604.57</u>	<u>5,220.11</u>
Less: Allowance for bad & doubtful receivables	<u>0.20</u>	<u>0.03</u>
Total	<u>7,604.37</u>	<u>5,220.08</u>

19. Cash and bank balances

	₹ Crore	
As at	31.03.2015	31.03.2014
Cash & cash equivalents		
Balances with banks		
Current accounts	189.41	62.95
Cheques & drafts on hand	59.66	61.50
Balance with Reserve Bank of India	30.80	30.79
Others (stamps on hand)	0.12	0.08
	<u>279.99</u>	<u>155.32</u>
Other bank balances		
Deposits with original maturity of more than three months and maturing before 31 st March 2016*	12,434.57	15,141.27
Earmarked balances with banks #	164.25	14.78
Total	<u><u>12,878.81</u></u>	<u><u>15,311.37</u></u>
# Earmarked balances with banks consist of:		
Deposits with original maturity of more than three months and maturing before 31 st March 2016 towards redemption of bonds due for repayment within one year	100.00	-
Deposits with original maturity of more than three months and maturing before 31 st March 2016 - fly ash utilisation reserve fund**	36.66	-
Deposits with original maturity of more than three months and maturing before 31 st March 2016 - towards public deposit repayment reserve	0.08	-
Unpaid dividend account balance	14.95	14.19
Deposits with original maturity upto three months - as per court orders	12.21	-
Unpaid interest/refund account balance - tax free bonds	0.30	0.52
Towards unpaid interest on public deposit	0.03	0.03
Margin money kept with RBI earmarked for fixed deposits from public	-	0.02
Security with government authorities	0.02	0.02
	<u>164.25</u>	<u>14.78</u>

* Includes deposits of ₹ 2750.00 crore (previous year ₹ Nil) with more than twelve months maturity from the date of deposit.

** Refer Note 2 a) regarding fly ash utilisation reserve fund.

20. Short-term loans and advances (Considered good, unless otherwise stated)

As at	31.03.2015	₹ Crore 31.03.2014
Loans		
Related parties		
Unsecured	0.01	0.03
Employees (including accrued interest)		
Secured	76.40	77.38
Unsecured	94.62	94.46
Considered doubtful	0.02	-
Loan to state government in settlement of dues from customers		
Unsecured	95.73	95.73
Others		
Secured	5.00	10.00
Unsecured	0.86	3.71
Less: Allowance for bad & doubtful loans	0.02	-
	272.62	281.31
Advances		
Related parties		
Unsecured	7.37	3.54
Employees		
Unsecured	11.52	10.22
Considered doubtful	0.03	0.03
Contractors & suppliers		
Unsecured	983.88	1,746.93
Considered doubtful	1.59	2.31
Others		
Unsecured	375.43	181.01
Considered doubtful	-	0.02
Less: Allowance for bad & doubtful advances	1.62	2.36
	1,378.20	1,941.70
Security deposits (unsecured)	756.77	893.03
Total	2,407.59	3,116.04
a) Due from Directors and Officers of the Company		
Directors	-	0.03
Officers (* ₹33,168/-)	0.01	*
b) Loans to related parties include:		
Key management personnel	0.01	0.03
c) Advance to related parties include:		
Joint venture companies	7.37	3.54

20. Short-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2015	31.03.2014
d) Loans and advances include amounts due from the following private companies in which one or more directors of the Company are directors:		
NTPC-Alstom Power Services Private Ltd.	0.53	0.68
NTPC-SAIL Power Company Private Ltd.	1.96	2.09
Aravali Power Company Private Ltd.	1.98	5.02
NTPC BHEL Power Projects Private Ltd.	2.62	1.50
Meja Urja Nigam Private Limited	8.54	4.60
Nabinagar Power Generating Company Private Ltd.	0.71	0.13
Pan-Asian Renewables Private Ltd.	0.04	-
Bangladesh India Friendship Power Company Pvt.Ltd.	4.58	1.46
e) Other loans represent loans of ₹ 5.00 crore (previous year ₹ 10.00 crore) given to APIIC and ₹ 0.86 crore (previous year ₹ 3.71 crore) to Kanti Bijlee Utpadan Nigam Ltd..		
f) Other advances include prepaid expenses amounting to ₹ 69.55 crore (previous year ₹ 64.92 crore), amount recoverable from JV/subsidiary Companies ₹ 278.80 crore (previous year ₹ 116.08 crore) etc.		
g) Security deposits (unsecured) include ₹ 224.15 crore (previous year ₹ 211.92 crore) towards sales tax deposited with sales/commercial tax authorities, ₹ 306.30 crore (previous year ₹ 308.73 crore) deposited with Courts and ₹ 160.97 crore (₹ 143.80 crore) deposited with LIC for making annuity payments to the land oustees.		

21. Other current assets

	₹ Crore	
As at	31.03.2015	31.03.2014
Interest accrued on		
Bonds	105.28	174.24
Term deposits	396.02	586.35
Others	36.43	46.52
	537.73	807.11
Claims recoverable		
Unsecured, considered good	2,074.46	1,743.26
Considered doubtful	13.40	13.77
Less: Allowance for doubtful claims	13.40	13.77
	2,074.46	1,743.26
Unbilled revenue	2,502.33	6,646.93
Assets held for disposal	2.12	2.60
Hedging cost recoverable	4.59	-
Others	20.37	12.05
Total	5,141.60	9,211.95

- a) Others include amount recoverable from contractors and other parties towards hire charges, rent/electricity, etc.
- b) Unbilled revenue is net of credits to be passed to beneficiaries at the time of billing and includes ₹ **6,384.00 crore** (previous year ₹ 7,069.70 crore) billed to the beneficiaries after 31st March for energy sales.

22. Revenue from operations (gross)

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Energy sales (including electricity duty)	73,197.61	72,115.06
Consultancy, project management and supervision fee	109.78	112.66
	73,307.39	72,227.72
Sale of fly ash/ash products	25.17	-
Less: Transferred to fly ash utilisation reserve fund [refer Note 2 (a)]	25.17	-
	-	-
Energy internally consumed	86.21	83.39
Other operating revenues		
Interest from beneficiaries	332.82	131.48
Recognized from deferred foreign currency fluctuation liability	3.12	1.56
Provisions written back		
Tariff adjustments	180.16	162.56
Others	5.99	37.31
	186.15	199.87
Total	73,915.69	72,644.02

a) The CERC notified the Tariff Regulations, 2014 in February 2014 (Regulations, 2014). Pending issue of provisional/final tariff orders w.e.f. 1st April 2014 for all the stations, beneficiaries are billed in accordance with the tariff approved and applicable as on 31st March 2014 as provided in the Regulations 2014. The amount provisionally billed for the year ended 31st March 2015 is ₹ 73,703.99 crore (previous year ₹ 68,704.03 crore).

b) The Company has filed a petition before the Hon'ble High Court of Delhi contesting certain provisions of the Regulations, 2014. Pending issue of provisional/final tariff orders under Regulations, 2014 by the CERC and disposal of the petition, sales have been provisionally recognised at ₹ 73,133.81 crore for the year ended 31st March 2015 (previous year ₹ 69,596.12 crore).

Pending disposal of the aforesaid petition, energy charges included in sales, in respect of the coal based stations, for the period upto July 2014 have been recognized based on the GCV 'as received at boiler end' and thereafter the GCV 'as received at the secondary crusher'.

c) Sales for the year ended 31st March 2015 include ₹ 679.62 crore (previous year ₹ 2,086.82 crore) pertaining to previous years recognized based on the orders issued by the CERC/Appellate Tribunal for Electricity (APTEL).

d) Sales for the year ended 31st March 2015 include (-) ₹ 1,399.42 crore (previous year (-) ₹ 269.99 crore) on account of income-tax payable to the beneficiaries as per Regulations, 2004. Sales for the year ended 31st March 2015 also include ₹ 113.96 crore (previous year ₹ 77.02 crore) on account of deferred tax materialized which is recoverable from beneficiaries as per Regulations, 2014.

e) Electricity duty on energy sales amounting to ₹ 669.64 crore (previous year ₹ 625.09 crore) has been reduced from sales in the Statement of Profit and Loss.

f) Revenue from operations include ₹ 86.21 crore (previous year ₹ 83.39 crore) towards energy internally consumed, valued at variable cost of generation and the corresponding amount is included in power charges in Note 26.

g) CERC Regulations provides that where after the truing-up, the tariff recovered is less/more than the tariff approved by the Commission, the generating Company shall recover/pay from/to the beneficiaries the under/over recovered amount along-with simple interest. Accordingly, the interest recoverable from the beneficiaries amounting to ₹ 332.82 crore (previous year ₹ 131.48 crore) has been accounted as 'Interest from beneficiaries'. Further, the amount payable to the beneficiaries has been accounted as 'Interest to beneficiaries' in Note 26.

h) Provisions written back - Others include provision for doubtful loans, advances, claims, debts and provision for shortage/obsolescence in stores, shortage in fixed assets, and unservicable CWIP.

23. Other income

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Interest from		
Long-term investments - Government securities (8.5% tax free bonds)	245.04	382.95
Others		
Loan to state government in settlement of dues from customers (8.5% tax free)	18.31	26.44
Loan to subsidiary companies	1.04	1.69
Loan to employees	31.13	30.67
Contractors	49.67	44.57
Deposits with banks/Reserve Bank of India	1,263.49	1,600.15
Deposits with banks out of fly ash utilisation reserve fund	0.92	-
Less : Transferred to fly ash utilisation reserve fund [refer Note 2 (a)]	0.92	-
\	-	-
Income tax refunds	36.40	154.54
Less : Refundable to beneficiaries	36.40	80.53
	-	74.01
Others	20.71	9.12
Dividend from		
Long-term investments in		
Subsidiaries	26.00	-
Joint ventures	90.61	71.98
Equity instruments	2.40	1.92
Current investments in		
Mutual funds	157.74	64.35
Current investments in mutual funds out of fly ash utilisation reserve fund	1.60	-
Less : Transferred to fly ash utilisation reserve fund [refer Note 2 (a)]	1.60	-
	-	-
Other non-operating income		
Surcharge received from beneficiaries	49.97	76.66
Hire charges for equipment	4.01	3.13
Net gain in foreign currency transactions & translations	128.38	51.33
Sale of scrap	80.18	83.13
Liquidated damages recovered	10.90	12.89
Profit on redemption of current investments	-	28.53
Net gain on sale of current investments	-	3.15
Miscellaneous income	134.10	172.10
Profit on disposal of fixed assets	4.54	12.86
	2,318.22	2,751.63
Less: Transferred to expenditure during construction period (net) - Note 28	83.22	47.46
Transferred to development of coal mines	5.62	7.16
Transferred to deferred foreign currency fluctuation asset/liability	113.06	51.33
Total	2,116.32	2,645.68

- a) Interest from others includes interest on advance to APIIC for drawal of water and deposits with LIC towards annuity to the lanc losers.
- b) Miscellaneous income includes income from township recoveries and receipts towards insurance claims.

24. Employee benefits expense

For the year ended	31.03.2015	31.03.2014
Salaries and wages	3,522.61	3,323.71
Contribution to provident and other funds	520.45	999.36
Staff welfare expenses	577.50	444.47
	4,620.56	4,767.54
Less: Allocated to fuel cost	208.03	240.16
Transferred to development of coal mines	38.53	41.10
Transferred to fly ash utilisation reserve fund [refer note 2 (a)]	15.75 *	15.48
Reimbursements for employees on deputation	67.62	43.21
Transferred to expenditure during construction period (net)- Note 28	620.85	602.81
Total	3,669.78	3,824.78

* Includes ₹ 12.67 crore transferred to NVVN for reimbursement from fly ash utilization fund.

- a) Disclosures as per AS 15 in respect of provision made towards various employee benefits are made in Note 39.
- b) Salaries and wages include special allowance paid by the Company to eligible employees serving in difficult and far flung areas w.e.f. 26th November 2008. As per the Office Memorandum dated 26th November 2008 of DPE relating to revision of pay scales w.e.f 1st January 2007, special allowance can be paid to such employees upto 10% of basic pay as approved by concerned administrative ministry. In line with the office memorandum dated 22nd June 2010 of DPE, Board of Directors has approved the Special Allowance (Difficult and Far Flung Areas) to eligible employees. The approval of MOP for the same is awaited.

25. Finance costs

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Interest on		
Bonds	1,182.58	961.67
Foreign currency term loans	244.32	253.96
Rupee term loans	3,635.60	3,056.24
Public deposits	0.03	0.05
Foreign currency bonds/notes	542.72	521.77
Others	3.32	26.23
	5,608.57	4,819.92
Other borrowing costs		
Guarantee fee	31.55	33.50
Management/arrangers fee	40.48	16.41
Foreign currency bonds/notes expenses	17.28	1.07
Others	14.85	102.58
	104.16	153.56
Sub-Total	5,712.73	4,973.48
Less: Transferred to expenditure during construction period (net) - Note 28	2,881.28	2,488.85
Transferred to development of coal mines	87.83	78.04
Total	2,743.62	2,406.59

Other borrowing costs - Others include bond issue & service expenses, commitment charges, exposure premium, upfront fee and insurance premium & legal expenses on foreign currency loans.

26. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Power charges	191.48	249.73
Less: Recovered from contractors & employees	<u>24.67</u>	<u>20.07</u>
	166.81	229.66
Water charges	488.86	450.92
Stores consumed	48.34	47.60
Rent	37.02	30.66
Less: Recoveries	<u>9.57</u>	<u>8.05</u>
	27.45	22.61
Load dispatch centre charges	37.24	144.40
Repairs & maintenance		
Buildings	194.92	189.92
Plant & machinery	2,029.22	1,849.83
Others	137.03	127.63
Insurance	123.08	116.76
Interest to beneficiaries	98.11	59.37
Rates and taxes	46.64	34.00
Water cess & environment protection cess	34.90	38.13
Training & recruitment expenses	26.23	28.68
Less: Receipts	<u>1.29</u>	<u>3.30</u>
	24.94	25.38
Communication expenses	43.64	43.50
Travelling expenses	204.93	196.88
Tender expenses	36.09	30.62
Less: Receipt from sale of tenders	<u>2.82</u>	<u>3.13</u>
	33.27	27.49
Payment to auditors	3.96	3.32
Advertisement and publicity	19.74	14.54
Security expenses	421.48	369.75
Entertainment expenses	22.43	14.26
Expenses for guest house	23.25	21.68
Less: Recoveries	<u>2.93</u>	<u>2.80</u>
	20.32	18.88
Education expenses	36.24	37.69
Community development and welfare expenses	125.91	92.90
Less: Grants-in-aid	<u>-</u>	<u>0.93</u>
	125.91	91.97
Donation	-	0.15
Ash utilisation & marketing expenses	10.32	12.63
Directors sitting fee	0.47	0.45
Professional charges and consultancy fee	28.53	142.95
Legal expenses	38.27	31.13
EDP hire and other charges	18.05	17.70
Printing and stationery	12.17	13.65
Oil & gas exploration expenses	29.63	3.41
Hiring of vehicles	74.20	66.05
Rebate to customers & reimbursement of LC charges on sales realization	603.42	559.98
Net loss in foreign currency transactions & translations	6.22	17.50
Cost of hedging	8.95	1.89
Horticulture expenses	30.61	26.46
Hire charges of helicopter/aircraft	12.37	12.74
Hire charges of construction equipments	8.95	10.86
Transport vehicle running expenses	7.89	8.78
Miscellaneous expenses	75.25	65.41
Loss on disposal/write-off of fixed assets	<u>146.05</u>	<u>73.92</u>
	5,500.81	5,220.15

26. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Less: Allocated to fuel cost	342.67	305.49
Transferred to development of coal mines	19.05	129.63
Transferred to deferred foreign currency fluctuation asset/liability	6.22	2.98
Transferred to hedging cost recoverable from beneficiaries	4.59	-
Transferred to fly ash utilisation reserve fund [refer Note 2 (a)]	19.68 *	19.41
Transferred to expenditure during construction period (net) - Note 28	354.07	375.15
	4,754.53	4,387.49
Provisions for		
Tariff adjustments	148.10	121.32
Diminution in value of long term investments in joint venture	4.63	0.02
Obsolescence in stores	13.97	10.34
Unserviceable capital works	41.95	6.63
Unfinished minimum work programme for oil and gas exploration	5.00	7.36
Others	11.13	10.69
	224.78	156.36
Total	4,979.31	4,543.85

* Includes ₹ 10.76 crore to NVVN for reimbursement from fly ash utilization fund.

a) Spares consumption included in repairs and maintenance	1,106.24	1,091.63
b) Details in respect of payment to auditors:		
As auditor		
Audit fee	1.16	1.04
Tax audit fee	0.41	0.36
Limited review	0.70	0.62
In other capacity		
Other services (certification fee)	0.56	0.56
Reimbursement of expenses	0.73	0.42
Reimbursement of service tax	0.40	0.32
Total	3.96	3.32

Payment to the auditors includes ₹ 0.24 crore (previous year ₹ 0.13 crore) relating to earlier year.

- c) CERC Regulations provides that where after the truing-up, the tariff recovered is more than the tariff approved by the Commission, the generating Company shall pay to the beneficiaries the over recovered amount along-with simple interest. Accordingly, the interest payable to the beneficiaries amounting to ₹ 98.11 crore (previous year ₹ 59.37 crore) has been accounted and disclosed as 'Interest to beneficiaries'.
- d) Miscellaneous expenses include expenditure on books & periodicals, operating expenses of DG sets, brokerage & commission, bank charges, furnishing expenses etc.
- e) Provisions - Others include provision for doubtful loans, advances, claims, debts and provision for shortage/ obsolescence in stores, shortage in fixed assets and arbitration cases.

27. Prior period items (net)

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Revenue		
Sales	208.32	-
Others	1.81	0.08
	<u>210.13</u>	<u>0.08</u>
Expenditure		
Employee benefits expense	0.37	(0.37)
Finance costs		
Interest	(132.29)	-
Depreciation and amortisation	12.12	2.35
Generation, administration and other expenses		
Repairs and maintenance	4.77	2.33
Power Charges	5.94	(0.03)
Rent	4.33	0.13
Others	0.97	7.30
	<u>(103.79)</u>	<u>11.71</u>
Net expenditure/(revenue)	(313.92)	11.63
Less: Transferred to expenditure during construction period (net)-		
Note 28	20.46	(1.24)
Transferred to development of coal mines	(0.55)	0.03
Total	(333.83)	12.84

- a) In line with the accounting policy on advance against depreciation, excess of depreciation charged in the books over the depreciation recovered in tariff, amounting to ₹ 208.32 crore upto 31st March 2014 has been recognised as prior period sales.
- b) During the year, the EAC of the ICAI has opined, on a reference by the Company, that interest paid/payable on land compensation till final award of the Court should be considered as a component of purchase/acquisition price of land since such interest is the result of the process of acquisition of land as per the Act. Any interest beyond the final award of the court should be treated as revenue expenditure and charged to the Statement of Profit and Loss. Accordingly, interest on land compensation amounting to ₹ 132.86 crore charged to Statement of Profit & Loss in previous years has been reversed and treated as cost of land by credit to prior period interest.

28. Expenditure during construction period (net)

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
A. Employee benefits expense		
Salaries and wages	506.44	453.69
Contribution to provident and other funds	67.26	110.40
Staff welfare expenses	47.15	38.72
Total (A)	620.85	602.81
B. Finance costs		
Interest on		
Bonds	623.58	426.37
Foreign currency term loans	101.96	107.68
Rupee term loans	1,871.58	1,532.39
Foreign currency bonds/notes	221.09	284.19
Others	-	22.92
Other borrowing costs		
Management/arrangers fee	40.48	16.41
Foreign currency bonds/notes expenses	16.41	1.07
Others	6.18	97.82
Total (B)	2,881.28	2,488.85
C. Depreciation and amortisation	76.62	268.95
D. Generation, administration & other expenses		
Power charges	95.85	163.61
Less: Recovered from contractors & employees	2.76	1.94
	93.09	161.67
Water charges	4.34	1.59
Rent	6.36	6.19
Repairs & maintenance		
Buildings	8.98	5.41
Plant and machinery	0.65	0.49
Others	37.59	25.81
	47.22	31.71
Insurance	1.39	1.12
Rates and taxes	8.56	2.85
Communication expenses	5.42	5.76
Travelling expenses	44.10	38.02
Tender expenses	9.63	6.61
Advertisement and publicity	1.35	2.44
Security expenses	55.82	46.53
Entertainment expenses	5.10	2.49
Expenses for guest house	4.21	4.44
Professional charges and consultancy fee	6.13	6.63
Legal expenses	6.36	5.80
EDP hire and other charges	1.63	1.29
Printing and stationery	1.80	1.49
Miscellaneous expenses	51.56	48.52
Total (D)	354.07	375.15

28. Expenditure during construction period (net)

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
E. Less: Other income		
Interest from contractors	35.22	30.25
Interest others	15.49	2.93
Hire charges for equipment	1.82	2.98
Sale of scrap	0.73	0.02
Miscellaneous income	29.96	11.28
Total (E)	83.22	47.46
F. Prior period items (net)	20.46	(1.24)
	3,870.06 *	3,687.06 *
Grand total (A+B+C+D-E+F)	3,870.06 *	3,687.06 *

* Carried to Capital work-in-progress - (Note 12)

29. Previous year figures have been regrouped /rearranged wherever considered necessary.
30. Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as other-wise stated. Certain amounts, which do not appear due to rounding off, are disclosed separately.
31. a) Some of the balances of trade/other payables and loans and advances 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 fixed assets 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.
32. In accordance with the principles approved by the Board of Directors of the Company, the dispute with coal suppliers on account of GCV has been settled. Accordingly, against the total disputed billed amount of ₹ 2,578.74 crore (previous year ₹ 4,102.87 crore) as at 31st March 2014, during the year the Company has paid ₹ 1,773.51 crore and provided ₹ 25.48 crore and the remaining amount of ₹ 779.75 crore is settled. Sales corresponding to energy charges recoverable for the amounts paid/provided as above have been recognized on settlement.
33. The levy of transit fee/entry tax on supplies of fuel to some of the power stations has been paid under protest as the matters are subjudice at various courts. In case the Company gets refund/demand from fuel suppliers/tax authorities on settlement of these cases, the same will be passed on to respective beneficiaries.
34. The environmental clearance ("clearance") granted by the Ministry of Environment and Forest, Government of India (MoEF) for one of the Company's project was challenged before the National Green Tribunal (NGT). The NGT disposed the appeal, inter alia, directing that the order of clearance be remanded to the MoEF to pass an order granting or declining clearance to the project proponent afresh in accordance with the law and the judgment of the NGT and for referring the matter to the Expert Appraisal Committee ("Committee") for its re-scrutiny, which shall complete the process within six months from the date of NGT order. NGT also directed that the environmental clearance shall be kept in abeyance and the Company shall maintain status quo in relation to the project during the period of review by the Committee or till fresh order is passed by the MoEF, whichever is earlier. The Company filed an appeal challenging the NGT order before the Hon'ble Supreme Court of India which stayed the order of the NGT and the matter is sub-judice. Aggregate cost incurred on the project upto 31st March 2015 is ₹ 8,732.44 crore (previous year ₹ 4,455.73 crore). Management is confident that the approval for proceeding with the project shall be granted, hence no provision is considered necessary.
35. The Company is executing a hydro power project in the state of Uttarakhand, where all the clearances were accorded. A case was filed in Hon'ble Supreme Court of India after the natural disaster in Uttarakhand in June 2013 to review whether the various existing and ongoing hydro projects have contributed to environmental degradation. Hon'ble Supreme Court of India on 7th May 2014, ordered that no further construction shall be undertaken in the projects under consideration until further orders, which included the hydro project of the Company. In the proceedings, Hon'ble Supreme Court is examining to allow few projects which have all clearances which includes the project of the Company where the work has been stopped. Aggregate cost incurred on the project up to 31st March 2015 is ₹ 154.57 crore (previous year ₹ 145.46 crore). Management is confident that the approval for proceeding with the project shall be granted, hence no provision is considered necessary.
36. **Disclosure as per Accounting Standard - 1 on 'Disclosure of Accounting Policies'**
During the year, following changes in accounting policies have been made:
- a) Policy A 'Basis of preparation' has been modified considering the provisions of the Companies Act, 2013.
- b) The Company has revised the accounting policy nos. N.1.1, N.1.2 & N.1.3 regarding depreciation in alignment with Schedule-II to the Companies Act, 2013 which has become applicable from 1st April 2014. Consequently, profit for the year ended 31st March 2015 is lower by ₹ 14.97 crore and fixed assets as at 31st March 2015 are lower by ₹ 20.44 crore. Further, an amount of ₹ 3.58 crore (net of deferred tax of ₹ 1.89 crore) has been recognized in the opening balance of the retained earnings where the remaining useful life of such assets is Nil as at 1st April 2014 in line with the provisions of Schedule-II to the Companies Act, 2013.
- c) Policy N.1.11 regarding depreciation on leasehold land and buildings has been modified to cover all the tariff regulations of CERC viz. for thermal, hydro and renewable energy sources.
- d) Policy S 'Segment reporting' has been added for improved disclosures.
- There is no impact on the accounts due to the changes at sl.no. (a) (c), & (d) above.
37. **Disclosure as per Accounting Standard - 11 on 'Effects of Changes in Foreign Exchange Rates'**
The effect of foreign exchange fluctuation during the year is as under:
- i) The amount of exchange differences (net) credited to the Statement of Profit & Loss is ₹ 15.32 crore (previous year debit of ₹ 14.52 crore).
- ii) The amount of exchange differences (net) debited to the carrying amount of fixed assets is ₹ 345.96 crore (previous year ₹ 1,850.39 crore).
38. **Disclosure as per Accounting Standard - 12 on 'Accounting for Government Grants'**
Revenue grants recognised during the year is ₹ Nil (previous year ₹ 0.93 crore).

39. Disclosure as per Accounting Standard - 15 on 'Employee Benefits'

General description of various employee benefit schemes are as under:

1. Defined Contribution Plans

A. Provident Fund

Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution of ₹ 236.48 crore (previous year ₹ 235.63 crore) to the funds for the year is recognised as expense and is charged to the Statement of Profit and Loss. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary. The details of fair value of plan assets and obligations are as under:

Particulars	₹ Crore	
	31.03.2015	31.03.2014
Obligations at the end of the year	6,143.59	5,463.94
Fair value of plan assets at the end of the year	6,197.85	5,515.53

B. Pension

The defined contribution pension scheme of the Company for its employees which is effective from 1st January 2007, is administered through a separate trust. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance less employer's contribution towards provident fund, gratuity, post retirement medical facility (PRMF) or any other retirement benefits. The contribution of ₹ 225.39 crore (previous year ₹ 641.03 crore including ₹ 346.56 crore for the periods from 1st January 2007 to 31st March 2013) to the funds for the year is recognised as an expense and charged to the Statement of Profit and Loss.

2. Defined Benefit Plans

A. Gratuity & Pension

(a) The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.10 crore on superannuation, resignation, termination, disablement or on death.

(b) The Company has pension schemes at two of its stations in respect of employees taken over from erstwhile state government power utilities.

The existing schemes stated at (a) and at one of the power stations at (b) above are funded by the Company and are managed by separate trusts. The liability for gratuity and the pension schemes as above is recognised on the basis of actuarial valuation. The Company's best estimate of the contribution towards gratuity/pension for the financial year 2015-16 is ₹ 28.64 crore.

B. Post-Retirement Medical Facility (PRMF)

The Company has Post-Retirement Medical Facility (PRMF), under which the retired employee and his / her spouse are provided medical facilities in the Company hospitals/empanelled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company. The liability for the same is recognised on the basis of actuarial valuation.

C. Terminal Benefits

Terminal benefits include baggage allowance for settlement at home town for employees & dependents and farewell gift to the superannuating employees. Further, the Company also provides for pension in respect of employees taken over from erstwhile State Government Power Utility at another station referred at 2.A.(b) above. Liability for the same is recognised based on actuarial valuation.

D. Leave

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. Earned leave is en-cashable while in service. Half-pay leaves (HPL) are en-cashable only on separation beyond the age of 50 years up to the maximum of 240 days. However, total amount of leave that can be encashed on superannuation shall be restricted to 300 days and no commutation of half-pay leave shall be permissible. The liability for the same is recognised on the basis of actuarial valuation.

The above mentioned schemes (B, C and D) are unfunded and are recognised on the basis of actuarial valuation.

The summarised position of various defined benefits recognised in the Statement of Profit and Loss, Balance Sheet is as under: (Figures given in { } are for previous year)

i) Expenses recognised in Statement of Profit and Loss

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Current service cost	69.56 {69.15}	17.80 {15.47}	55.94 {53.82}	7.26 {6.06}
Interest cost on benefit obligation	129.19 {114.71}	47.57 {36.08}	79.21 {68.27}	26.55 {21.76}
Expected return on plan assets	(110.55) {(100.26)}	- {-}	- {-}	- {-}
Net actuarial (gain)/loss recognised in the year	(87.62) {(17.97)}	125.24 {73.63}	149.44 {179.93}	32.86 {26.53}
Less: Expenses transferred to capital work-in-progress	(1.59) {3.81}	6.46 {4.46}	14.84 {13.17}	- {-}
Expenses recognised in the Statement of Profit & Loss	2.17 {61.82}	184.15 {120.72}	269.75 {288.85}	66.67 {54.35}
Actual return on plan assets	134.56 {114.66}	- {-}	- {-}	- {-}

ii) The amount recognised in the Balance Sheet

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 31.03.2015	1,541.62 {1,519.91}	727.49 {559.65}	1,006.11 {931.87}	363.01 {312.40}
Fair value of plan assets as at 31.03.2015	1,449.42 {1,383.31}	- {-}	- {-}	- {-}
Net liability recognised in the Balance Sheet	92.20 {136.60}	727.49 {559.65}	1,006.11 {931.87}	363.01 {312.40}

iii) Changes in the present value of the defined benefit obligations:

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 01.04.2014	1,519.91 {1,433.87}	559.65 {451.06}	931.87 {853.42}	312.40 {271.85}
Interest cost	129.19 {114.71}	47.57 {36.08}	79.21 {68.27}	26.55 {21.76}
Current service cost	69.56 {69.15}	17.80 {15.47}	55.94 {53.82}	7.26 {6.06}
Benefits paid	(113.42) {(94.23)}	(22.77) {(16.59)}	-210.35 {(223.57)}	(16.06) {(13.80)}
Net actuarial (gain)/loss on obligation	(63.62) {(3.59)}	125.24 {73.63}	149.44 {179.93}	32.86 {26.53}
Present value of the defined benefit obligation as at 31.03.2015	1,541.62 {1,519.91}	727.49 {559.65}	1,006.11 {931.87}	363.01 {312.40}

iv) Changes in the fair value of plan assets:

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Fair value of plan assets as at 01.04.2014	1,383.31 {1,256.05}	- {-}	- {-}	- {-}
Expected return on plan assets	110.55 {100.26}	- {-}	- {-}	- {-}
Contributions by employer	39.29 {101.29}	- {-}	- {-}	- {-}
Benefit paid	(107.73) {(88.67)}	- {-}	- {-}	- {-}
Net actuarial gain/(loss)	24.00 {14.38}	- {-}	- {-}	- {-}
Fair value of plan assets as at 31.03.2015	1,449.42 {1,383.31}	- {-}	- {-}	- {-}

v) Other disclosures:

₹ Crore

Gratuity & pension	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Present value of obligation as at	1,541.62	1,519.91	1,433.87	1,288.86	1,185.28
Fair value of plan assets as at	1,449.42	1,383.31	1,256.05	1,162.97	1,031.68
Surplus/(Deficit)	(92.20)	(136.60)	(177.82)	(125.89)	(153.60)
Experience adjustment on plan liabilities (loss)/gain	61.19	3.12	(50.04)	(18.87)	(59.49)
Experience adjustment on plan assets (loss)/gain	24.12	14.38	9.37	12.29	5.10

PRMF	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Present value of obligation as at	727.49	559.65	451.06	369.49	311.67
Experience adjustment on plan liabilities (loss)/gain	(123.37)	(73.63)	(19.53)	(30.60)	(33.27)

Leave	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Present value of obligation as at	1006.11	931.87	853.42	739.57	651.90
Experience adjustment on plan liabilities (loss)/gain	(150.14)	(179.57)	(180.46)	(89.90)	(87.83)

Terminal Benefits	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Present value of obligation as at	363.01	312.40	271.85	229.34	192.29
Experience adjustment on plan liabilities (loss)/gain	(34.89)	(26.39)	(25.49)	(24.38)	(23.95)

vi) The effect of one percentage point increase/decrease in the medical cost of PRMF will be as under:

₹ Crore

	Increase by	Decrease by
Service and interest cost	17.96	(14.15)
Present value of obligation	104.45	(91.16)

E. Details of the Plan Assets

The details of the plan assets at cost are:

₹ Crore

	31.03.2015	31.03.2014
i) State government securities	0.30	399.15
ii) Central government securities	92.90	322.97
iii) Corporate bonds/debentures	274.58	510.21
iv) Money market instruments	2.50	5.62
v) Investment with insurance companies	1,051.92	95.88
vi) Fixed deposits with banks	11.48	7.09
Total (excluding interest accrued)	1,433.68	1,340.92

The amounts included in the value of plan assets in respect of the reporting enterprise's own financial instruments is Nil (previous year ₹ 25.00 crore).

F. Actual return on plan assets ₹ 134.56 crore (previous year ₹ 114.66 crore).

G. Other Employee Benefits

Provision for long service award and family economic rehabilitation scheme amounting to ₹ 28.76 crore (previous year ₹ 3.45 crore) for the year have been made on the basis of actuarial valuation at the year end and debited to the Statement of Profit and Loss.

H. Actuarial Assumptions

Principal assumptions used for actuarial valuation for the year ended are:

	31.03.2015	31.03.2014
i) Method used	Projected Unit Credit Method	
ii) Discount rate	8.00%	8.50%
iii) Expected rate of return on assets:		
- Gratuity	8.00%	8.00%
- Pension	7.50%	7.00%
iv) Annual increase in costs	6.00%	6.50%
v) Future salary increase	6.00%	6.50%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Further, the expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

40. **Disclosure as per Accounting Standard - 16 on 'Borrowing Costs'**

Borrowing costs capitalised during the year are ₹ 2,969.11 crore (previous year ₹ 2,543.96 crore).

41. **Disclosure as per Accounting Standard - 17 on 'Segment Reporting'**

Segment information:

a) Business segments

The Company's principal business is generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy, project management and supervision, oil and gas exploration and coal mining.

b) Segment revenue and expense

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

c) Segment assets and liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Capital work-in-progress and capital advances are included in unallocated corporate and other assets. Segment liabilities include operating liabilities and provisions.

₹ Crore

	Business Segments				Total	
	Generation		Others		Current year	Previous year
	Current year	Previous year	Current year	Previous year		
Segment Revenue						
Sale of energy/consultancy, project management and supervision fee *	72,527.97	71,489.97	109.78	112.66	72,637.75	71,602.63
Other income	902.13	750.29	3.11	2.41	905.24	752.70
Unallocated corporate interest and other income					1,819.38	2,309.28
Total	73,430.10	72,240.26	112.89	115.07	75,362.37	74,664.61
Segment result #						
	12,554.39	14,974.80	(4.45)	16.23	12,549.94	14,991.03
Unallocated corporate interest and other income					1,819.38	2,352.49
Unallocated corporate expenses, interest and finance charges					3,822.67	3,438.87
Profit before tax					10,546.65	13,904.65
Income tax (net)					255.79	2,929.91
Profit after tax					10,290.86	10,974.74
Other information						
Segment assets	1,02,742.19	95,781.65	1,530.68	772.12	1,04,272.87	96,553.77
Unallocated corporate and other assets					92,811.85	83,000.41
Total assets	1,02,742.19	95,781.65	1,530.68	772.12	1,97,084.72	1,79,554.18
Segment liabilities	13,593.72	13,840.48	710.60	378.25	14,304.32	14,218.73
Unallocated corporate and other liabilities					1,01,123.05	79,520.13
Total liabilities	13,593.72	13,840.48	710.60	378.25	1,15,427.37	93,738.86
Depreciation (including prior period)	4,884.94	4,109.89	0.36	0.24	4,885.30	4,110.13
Non-cash expenses other than depreciation	213.58	137.62	5.21	7.37	218.79	144.99
Capital expenditure	20,932.49	22,292.39	989.58	773.50	21,922.07	23,065.89

* Includes (-) ₹ 719.80 crore (previous year ₹ 1,816.83 crore) for sales related to earlier years.

Generation segment result would have been ₹ 13,274.19 crore (previous year ₹ 13,157.97 crore) without including the sales related to earlier years.

b) The operations of the Company are mainly carried out within the country and therefore, geographical segments are inapplicable.

42. **Disclosure as per Accounting Standard - 18 on 'Related Party Disclosures'**

a) Related parties:

i) Joint ventures:

Utility Powertech Ltd., NTPC-Alstom Power Services Private Ltd., BF-NTPC Energy Systems Ltd., National Power Exchange Ltd., Pan-Asian Renewables Private Ltd., Trincomalee Power Company Ltd. and Bangladesh-India Friendship Power Company Private Ltd.

ii) Key Management Personnel:

Shri Arup Roy Choudhury	Chairman and Managing Director
Shri I.J. Kapoor	Director (Commercial)
Shri A.K.Jha	Director (Technical)
Shri U.P.Pani	Director (Human Resources)
Shri S.C.Pandey	Director (Projects)
Shri K.Biswal	Director (Finance)
Shri K.K.Sharma	Director (Operations) ¹
Shri N.N.Misra	Director (Operations) ²

1. W.e.f. 1st November 2014

2. Superannuated on 31st October 2014

b) Transactions with the related parties at a (i) above are as follows:

₹ Crore

Particulars	Current year	Previous year
i) Transactions during the year		
• Contracts for works/services for services received by the Company		
- Utility Powertech Ltd.	522.02	439.74
- NTPC-Alstom Power Services Private Ltd.	30.82	0.94
- National Power Exchange Ltd.	-	0.36
• Contracts for works/services for services provided by the Company		
- Utility Powertech Ltd.	0.02	-
- Trincomalee Power Company Ltd.	1.16	0.20
• Deputation of Employees:		
- Utility Powertech Ltd.	0.39	0.25
- NTPC-Alstom Power Services Private Ltd.	0.77	0.85
- Trincomalee Power Company Ltd.	1.77	0.96
- Pan-Asian Renewables Private Ltd.	0.35	0.33
- Bangladesh-India Friendship Power Company Private Ltd.	3.10	1.34
ii) Dividend received:		
- Utility Powertech Ltd.	7.00	5.50
- NTPC-Alstom Power Services Private Ltd.	0.47	0.30
iii) Amount recoverable for contracts for works/services received:		
- Utility Powertech Ltd.	0.19	0.17
- NTPC-Alstom Power Services Private Ltd.	17.96	0.04
- National Power Exchange Ltd.	-	0.14
iv) Amount payable for contracts for works/services received:		
- Utility Powertech Ltd.	81.27	69.49
- NTPC-Alstom Power Services Private Ltd.	8.18	6.52
v) Amount recoverable for contracts for works/services provided:		
- Utility Powertech Ltd.	0.01	-
- BF-NTPC Energy Systems Ltd.	0.12	0.12
- Trincomalee Power Company Ltd.	1.62	0.55
vi) Amount payable for contracts for works/services provided:		
- Trincomalee Power Company Ltd.	0.92	-
vii) Amount recoverable on account of deputation of employees:		
- Utility Powertech Ltd.	0.10	0.10
- NTPC-Alstom Power Services Private Ltd.	0.53	0.66
- Trincomalee Power Company Ltd.	1.90	1.12
- Pan-Asian Renewables Private Ltd.	0.04	-
- Bangladesh-India Friendship Power Company Private Ltd.	4.44	1.34
viii) Equity contributions made:		
- Pan-Asian Renewables Private Ltd.	-	1.00
- Trincomalee Power Company Ltd.	2.54	-
- Bangladesh -India Friendship Power Company Private Ltd.	25.31	6.12

The Company has received bank guarantees from Utility Powertech Ltd. for an amount of ₹ 7.67 crore (previous year ₹ 6.36 crore).

- c) Remuneration to key management personnel for the year is ₹ 3.49 crore (previous year ₹ 4.09 crore) and amount of dues outstanding to the Company as at 31st March 2015 are ₹ Nil (previous year ₹ 0.03 crore).

₹ Crore

Managerial remuneration to Key management personnel	Current year	Previous year
Shri Arup Roy Choudhury	0.50	0.52
Shri I.J. Kapoor	0.56	0.59
Shri A.K.Jha	0.48	0.56
Shri U.P.Pani	0.43	0.37
Shri S.C.Pandey	0.37	0.21
Shri K.Biswal	0.35	0.10
Shri K.K.Sharma	0.16	-
Shri N.N.Misra	0.64	0.52
Shri.B.P.Singh	-	0.58
Shri A.K. Singhal	-	0.64
Total	3.49	4.09

43. **Disclosure as per Accounting Standard - 19 on 'Leases'**

a) **Finance leases**

(i) During previous years, the Company took on lease certain vehicles and had option to purchase them as per the terms of the lease agreements. As at 31st March 2015, there are no vehicles on lease.

(ii) The Company has entered into an agreement for coal movement through inland waterways transport. As per the agreement, the operator shall design, build, operate and maintain the unloading infrastructure and material handling system ("facility"), and transfer the same to the Company after expiry of 7 years at ₹ 1/-. The facility shall be constructed in two phases of which Phase I has been completed and is under operation. Fair value of the entire facility is ₹ 90 crore and the assets and liability in respect of Phase-I have been recognised at ₹ 60 crore based on technical assessment. The minimum lease payments shall start on completion of Phase-II of the facility. Amounts payable for the coal transported through Phase-I of the facility are disclosed as contingent rent.

₹ Crore

	31.03.2015	31.03.2014
a) Obligations towards minimum lease payments		
• Not later than one year	15.45	12.02
• Later than one year and not later than five years	82.41	82.41
• Later than five years	46.36	49.79
Total	144.22	144.22
b) Present value of (a) above		
• Not later than one year	7.83	5.27
• Later than one year and not later than five years	52.31	45.81
• Later than five years	39.51	38.92
Total	99.65	90.00
c) Finance charges	44.57	54.22
d) Contingent rent for the year	5.16	2.01

b) **Operating leases**

The Company's other significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps for a period of one to two years. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note 24 - Employee benefits expense includes ₹ 42.83 crore (previous year ₹ 65.85 crore) towards lease payments (net of recoveries) in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps are included under 'Rent' in Note 26 - 'Generation, administration and other expenses'. Further, the Company has taken a helicopter on wet lease basis for a period of eleven years and the amount of lease charges is included in 'Hire charges of helicopter/aircraft' in Note 26.

44. **Disclosure as per Accounting Standard - 20 on 'Earnings Per Share'**

The elements considered for calculation of earning per share (Basic and Diluted) are as under:

	Current year	Previous year
Net profit after tax used as numerator - ₹ crore	10,290.86	10,974.74
Weighted average number of equity shares used as denominator	824,54,64,400	824,54,64,400
Earning per share (Basic and Diluted) - ₹	12.48	13.31
Nominal value per share - ₹	10/-	10/-

45. **Disclosure as per Accounting Standard - 26 on 'Intangible Assets'**

Research expenditure charged to revenue during the year is ₹ 97.56 crore (previous year ₹ 98.52 crore).

46. Disclosure as per Accounting Standard - 27 on 'Financial Reporting of Interest in Joint Ventures'

a) Joint Venture Entities:

Company	Proportion of ownership interest as at (excluding share application money)	
	31.03.2015 (%)	31.03.2014 (%)
A. Joint Ventures incorporated in India		
1. Utility Powertech Ltd.	50.00	50.00
2. NTPC - Alstom Power Services Private Ltd.	50.00	50.00
3. NTPC-SAIL Power Company Private Ltd.	50.00	50.00
4. NTPC -Tamilnadu Energy Company Ltd.	50.00	50.00
5. Ratnagiri Gas and Power Private Ltd.*	28.91	32.86
6. Aravali Power Company Private Ltd.	50.00	50.00
7. NTPC - SCCL Global Ventures Private Ltd.*	50.00	50.00
8. Meja Urja Nigam Private Ltd.	50.00	50.00
9. NTPC - BHEL Power Projects Private Ltd.*	50.00	50.00
10. BF - NTPC Energy Systems Ltd.	49.00	49.00
11. Nabinagar Power Generating Company Private Ltd.	50.00	50.00
12. National Power Exchange Ltd.*	16.67	16.67
13. International Coal Ventures Private Ltd.*	0.27	14.28
14. National High Power Test Laboratory Private Ltd.	21.63	20.00
15. Transformers & Electricals Kerala Ltd.*	44.60	44.60
16. Energy Efficiency Services Ltd.*	25.00	25.00
17. CIL NTPC Urja Private Ltd.*	50.00	50.00
18. Anushakti Vidyut Nigam Ltd.	49.00	49.00
19. Pan-Asian Renewables Private Ltd.*	50.00	50.00
B. Joint Ventures incorporated outside India		
1. Trincomalee Power Company Ltd.* (incorporated in Srilanka)	50.00	50.00
2. Bangladesh-India Friendship Power Company Private Ltd.* (incorporated in Bangladesh)	50.00	50.00

* The accounts are unaudited.

The Company's share of the assets, liabilities, contingent liabilities and capital commitment as at 31st March 2015 and income and expenses for the year in respect of joint venture entities based on audited/unaudited accounts are given below:

	₹ Crore	
	31.03.2015	31.03.2014
A. Assets		
• Non current assets	16,480.65	15,076.16
• Current assets	2,540.88	2,637.07
Total	19,021.53	17,713.23
B. Liabilities		
• Non current liabilities	10,438.13	9,446.27
• Current liabilities	3,323.96	2,425.04
Total	13,762.09	11,871.31
C. Contingent liabilities	600.02	247.21
D. Capital commitments	6,113.95	9,903.06
	Current year	Previous year
E. Income	4,779.76	4,512.04
F. Expenses	4,867.10	4,041.50

b) Joint venture operations:

- i) The Company along-with some public sector undertakings has entered into Production Sharing Contracts (PSCs) with GOI for three oil exploration blocks namely KG-OSN-2009/1, KG-OSN-2009/4 and AN-DWN-2009/13 under VIII round of New Exploration Licensing Policy (NELP VIII) with 10% participating interest (PI) in each of the blocks.

In the case of AN-DWN-2009/13, Gujarat State Petroleum Corporation Ltd. (GSPC) submitted notice for withdrawal from the block subsequent to completion of minimum work programme (MWP) and M/s Oil & Natural Gas Corporation Ltd. (ONGC) decided to acquire 10% PI of GSPC. The Company alongwith consortium partners has decided to relinquish the block AN-DWN-2009/13 and ONGC (the operator) has submitted an application to Directorate General of Hydrocarbons (DGH) in this regard.

Based on the un-audited statement of the accounts for the above blocks forwarded by ONGC, the operator, the Company's share in respect of assets and liabilities as at 31st March 2015 and expenditure for the year are given below:

Item	₹ Crore	
	2014-15 (Un-audited)	2013-14 (Un-audited)
Expenses	29.67	2.94
Assets	0.62	1.89
Liabilities	2.41	2.96
Capital commitments (Unfinished MWP)	92.54	65.76

The exploration activities in block KG-OSN-2009/4 were suspended w.e.f. 11.01.2012 due to non-clearance by the Ministry of Defence, GOI. Subsequently, DGH vide letter dated 29th April 2013 has informed ONGC that the block is cleared conditionally wherein block area is segregated between No Go zone, High-risk zone and Permitted zone. As the permitted area is only 38% of the total block area the consortium has submitted proposal to DGH for downward revision of MWP of initial exploration period.

- ii) Exploration activities in the block AA-ONN-2003/2 were abandoned in January 2011 due to unforeseen geological conditions & withdrawal of the operator. Attempts to reconstitute the consortium to accomplish the residual exploratory activities did not yield result. In the meanwhile, Ministry of Petroleum & Natural Gas demanded in January 2011 the cost of unfinished minimum work programme from the consortium with NTPC's share being USD 7.516 million. During the year, provision in this respect has been updated to ₹ 58.64 crore from ₹ 53.64 crore along with interest in the previous year. The Company has sought waiver of the claim citing force majeure conditions at site leading to discontinuation of exploratory activities.

The Company has accounted for expenditure of (-) ₹ 0.77 crore for the year 2014-15 (previous year ₹ 0.01 crore) towards the establishment expenses of M/s Geopetrol International, the operator to complete the winding up activities of the Block. The Company's share in the assets and liabilities as at 31st March 2015 and expenditure for the year is as under:

Item	₹ Crore	
	2014-15 (Un-audited)	2013-14 (Un-audited)
Expenses*	(0.77)	0.01
Assets	9.19	14.47
Liabilities	1.82	2.32
Contingent liabilities	57.43	50.71

* Expenses for the year 2014-15 are negative due to difference observed on audit of accounts for the year 2013-14.

47. **Disclosure as per Accounting Standard - 28 on 'Impairment of Assets'**

As required by Accounting Standard (AS) 28 'Impairment of Assets', an assessment of impairment of assets was carried out and based on such assessment, there has been no impairment loss during the year.

48. **Disclosure as per Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets'-(Refer Note-10)**

Particulars	₹ Crore				
	Balance as at 01.04.2014	Additions during the year	Payments during the year	Reversal / adjustments during the year	Balance as at 31.03.2015
Provision for obligations incidental to land acquisition	2,822.42	902.79	241.37	385.12	3,098.72
Provision for tariff adjustment	1,275.70	148.10	-	180.16	1,243.64
Others	438.33	74.26	-	7.57	505.02
Total	4,536.45	1,125.15	241.37	572.85	4,847.38

49. **Foreign currency exposure**

a) **Hedged by a derivative instrument**

The derivative contracts outstanding as at 31st March 2015 are as under:

Particulars	Currency	Amount in Foreign Currency (Crore)		Amount (₹ Crore)	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014
Currency & interest rate swap	JPY	14.96	19.23	7.89	11.38
Principal only swap	EURO	1.00	-	68.56	-

MTM loss on the above contract as at 31st March 2015 is as under:

Particulars	Amount (₹ Crore)	
	31.03.2015	31.03.2014
Currency & interest rate swap	1.15	-
Principal only swap	3.44	-

The derivative contracts entered into by the Company are for hedging currency and/or interest rate risk on foreign currency loans.

b) Not hedged by a derivative instrument or otherwise

Particulars	Amount in Foreign Currency (Crore)			Amount (₹ Crore)	
	Currency	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Borrowings, including interest accrued but not due thereon.	USD	341.34	260.54	21,569.23	15,791.13
	JPY	4,887.59	4,560.37	2,577.72	2,697.46
	EURO	19.69	13.67	1,350.02	1,143.00
Trade payables/deposits and retention monies	USD	37.80	24.05	2,388.58	1,457.67
	EURO	9.18	8.88	629.38	743.05
	Others	133.21	91.33	85.13	74.18
Trade receivables and bank balances	USD	0.05	0.02	3.11	1.33
	Others	1.14	0.84	0.76	0.54
Unexecuted amount of contracts remaining to be executed	USD	76.00	116.94	4,802.44	7,087.73
	EURO	50.97	62.72	3,494.50	5,245.90
	Others	1,517.82	1,011.68	869.49	732.42

50. **Information in respect of micro and small enterprises as at 31st March 2015 as required by Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	₹ Crore
a) Amount remaining unpaid to any supplier:	
Principal amount	89.06
Interest due thereon	0.13
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.	0.02
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.	0.01
d) Amount of interest accrued and remaining unpaid	0.07
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	-

51. **Disclosure as required by Clause 32 of Listing Agreements:**

A. Loans and advances in the nature of loans:

1. To Subsidiary Companies

Name of the company	₹ Crore			
	Outstanding balance as at	Maximum amount outstanding during		
	31.03.2015	31.03.2014	2014-15	2013-14
Kanti Bijlee Utpadan Nigam Ltd.	3.43	8.00	8.00	12.57

2. To Firms/companies in which directors are interested

: Nil

3. Where there is no repayment schedule or repayment beyond seven year or no interest or interest as per Section 372A of the Companies Act, 1956 :

: ₹ 3.43 crore (Repayment schedule beyond seven years)

B. Investment by the loanee (as detailed above) in the shares of NTPC

: Nil

52. **Contingent Liabilities:**

a) **Claims against the company not acknowledged as debts in respect of:**

(i) Capital Works

Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the Company for ₹ 7,660.88 crore (previous year ₹ 4,134.85 crore) seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the Company as being not admissible in terms of the provisions of the respective contracts.

The Company is pursuing various options under the dispute resolution mechanism available in the contracts for settlement of these claims. It is not practicable to make a realistic estimate of the outflow of resources if any, for settlement of such claims pending resolution.

(ii) Land compensation cases

In respect of land acquired for the projects, the erstwhile land owners have claimed higher compensation before various authorities/courts which are yet to be settled. Against such cases, contingent liability of ₹ 312.37 crore (previous year ₹ 393.40 crore) has been estimated.

(iii) Fuel Suppliers

Pending resolution of the issues with fuel companies, an amount of ₹ 567.22 crore (previous year ₹ 647.33 crore) towards surface transportation charges, customs duty on service margin on imported coal, etc. has been estimated by the Company as contingent liability.

(iv) Others

In respect of claims made by various State/Central Government departments/Authorities towards building permission fee, penalty on diversion of agricultural land to non-agricultural use, non agricultural land assessment tax, water royalty etc. and by others, contingent liability of ₹ 896.34 crore (previous year ₹ 1,088.23 crore) has been estimated.

(v) Possible Reimbursement

The contingent liabilities referred to in (i) above, include an amount of ₹ 1,172.56 crore (previous year ₹ 994.83 crore) relating to the hydro power project stated in Note 15 (b) - Other non current assets, for which Company envisages possible reimbursement from GOI in full. In respect of balance claims included in (i) and in respect of the claims mentioned at (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 Regulations subject to prudence check by the CERC. In case of (iii), the estimated possible reimbursement by way of recovery through tariff as per Regulations is ₹ 423.36 crore (previous year ₹ 637.82 crore).

b) **Disputed Tax Matters**

Disputed income tax/Sales tax/Excise and other tax matters pending before various Appellate Authorities amount to ₹ 4,161.87 crore (previous year ₹ 1,907.49 crore). Many of these matters were disposed off in favour of the Company but are disputed before higher authorities by the concerned departments. In respect of disputed cases, the company estimate possible reimbursement of ₹ 1,508.46 crore (previous year ₹ 390.37 crore).

c) **Others**

Other contingent liabilities amount to ₹ 309.36 crore (previous year ₹ 363.49 crore).

Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

53. **Capital and other commitments**

a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2015 is ₹ 58,398.91 crore (previous year ₹ 63,534.19 crore).

b) In respect of investments of ₹ 1,822.61 crore (previous year ₹ 1,347.32 crore) in subsidiary Companies, the Company has restrictions for their disposal as at 31st March 2015 as under:

Name of the Subsidiary	Period of restrictions for disposal of investments as per related agreements	Amount of investment (₹ crore)
Bhartiya Rail Bijlee Company Ltd.	5 years from the date of commercial operation.	1,172.61
Kanti Bijlee Utpadan Nigam Ltd.	5 years from the date of commercial operation. Further, as per loan agreement, minimum equity of 51% shall be maintained at all times until final settlement of loan i.e., 4 years moratorium period and subsequently 11 years for repayment.	650.00
Total		1,822.61

c) In respect of investments of ₹ 1,693.88 crore (previous year ₹ 2,835.18 crore) in the joint venture entities, the Company has restrictions for their disposal as at 31st March 2015 as under:

Name of the Joint Venture Company	Period of restrictions for disposal of investments as per related agreements	Amount of investment (₹ crore)
Pan-Asian Renewables Private Ltd.	2 years from the date of commercial operation of the project having minimum capacity of 100 MW of renewable energy project or 5 years from the date of incorporation (i.e.14.10.2011) whichever is earlier. Also refer Note 13 e.	1.50
NTPC-SAIL Power Company Private Ltd.	3 years from the date of allotment (last allotment made on 30.09.2012)	490.25
Transformers and Electricals Kerala Ltd.	3 years from the date of acquisition (i.e.19.06.2009) or upgradation capacity enhancement scheme whichever is later	31.34
NTPC BHEL Power Projects Private Ltd.	3 years from the date of completion of first EPC contract of single order value of not less than ₹500 crore or till further such time as mutually agreed.	50.00
National High Power Test Laboratory Private Ltd.	5 years from the date of incorporation (i.e. 22.05.2009) or completion of project whichever is later.	23.90
NTPC-SCCL Global Ventures Private Ltd.	5 years from the date of incorporation (i.e. 31.07.2007) or commercial operation whichever is later. Also refer Note 13 g.	0.05
National Power Exchange Ltd.	5 years from the date of commencement of business i.e trading operation or company issues shares to public at large (IPO) whichever is earlier. Also refer Note 13 c.	2.19
CIL NTPC Urja Private Ltd.	5 years from the date of incorporation (i.e. 27.04.2010) or commercial operation whichever is later.	0.08
International Coal Ventures Private Ltd.	5 years from the date of incorporation (i.e. 20.05.2009) or till such time an undertaking for non-disposal of such share is given to FI/Banks for their assistance to the company. Also refer Note 13 b.	1.40
Trincomalee Power Company Ltd.	12 years from the initial operation date.	9.26
Bangladesh-India Friendship Power Company Pvt.Ltd.	15 years from the date of commercial operation date.	31.43
Meja Urja Nigam Private Ltd.	5 years from the date of incorporation (i.e. 02.04.2008) or commercial operation whichever is later. Further, NTPC shall hold atleast 50% of equity and voting rights untill final settlement of loan i.e., 5 years moratorium period and subsequently 10 years for repayment.	541.35
Nabinagar Power Generating Company Private Ltd.	5 years from the date of incorporation (09.09.2008) or commercial operation whichever is later. Further, NTPC shall not transfer/assign or pledge shares of the JV untill final settlement of loan i.e. 5 years moratorium and subsequently 15 years for repayment.	511.13
Total		1,693.88

- d) The Company has commitments of ₹ 3,638.40 crore (previous year ₹ 3,770.44 crore) towards further investment in the joint venture entities as at 31st March 2015.
- e) The Company has commitments of ₹ 131.82 crore (previous year ₹ 607.09 crore) towards further investment in the subsidiary companies as at 31st March 2015.
- f) The Company has commitments of bank guarantee of 0.50 % of total contract price to be undertaken by NTPC-BHEL Power Projects Private Ltd. limited to a cumulative amount of ₹ 75.00 crore (previous year ₹ 75.00 crore).
- g) Company's commitment towards the minimum work programme in respect of oil exploration activity of Cambay Block (100% owned by the company) is ₹ 140.27 crore (USD 22.41 million) (previous year ₹ 198.21 crore, USD 32.98 million).
- h) Company's commitment towards the minimum work programme in respect of oil exploration activities of joint venture operations has been disclosed in Note 46 (b).
- i) Company's commitment in respect lease agreements has been disclosed in Note 43.

54. Corporate Social Responsibility Expenses (CSR)

As per Section 135 of the Companies Act, 2013 read with guidelines issued by DPE, 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	₹ crore Amount
-------------	-------------------

A. Amount required to be spent during 2014-15	283.48
B. Amount spent on CSR - Revenue expenses	203.34
- Capital expenses	1.84
C. Shortfall amount appropriated to CSR Reserve (Note 2)	78.30
D. Break-up of the amount spent on CSR:	
1. Community development and welfare expenses (Note 26)	125.91
2. Salaries, wages and other benefits of hospital staff (Note 24)	35.84
3. Education expenses (Note 26)	27.44
4. Salaries, wages and other benefits of Company's own CSR personnel limited to 5% of total amount required to be spent on CSR	14.17
5. Miscellaneous expenses (Note 26)	6.55
6. Capital expenditure (Note 11 & 12)	1.84
Total	211.75
7. Less: Miscellaneous income from hospital (Note 23)	6.57
Amount spent on CSR	205.18
E. Out of total amount of ₹ 205.18 crore, ₹ 174.67 crore has been spent in cash and the balance amount of ₹30.51 crore is yet to be paid in cash as at 31 st March 2015.	

55. **Other disclosures as per Schedule III of the Companies Act, 2013**

Particulars	₹ crore			
	Current year		Previous year	
a) Value of imports calculated on CIF basis:				
Capital goods	2,788.44		2,472.14	
Spare parts	80.16		115.46	
b) Expenditure in foreign currency:				
Professional and consultancy fee	10.98		13.83	
Interest	821.59		775.72	
Others	49.54		66.22	
c) Value of components, stores and spare parts consumed (including fuel):	Current year		Previous year	
	%age	Amount	%age	Amount
Imported	16.85	8,427.22	14.73	6,918.59
Indigenous	83.15	41,572.55	85.27	40,050.32
	Current year		Previous year	
d) Earnings in foreign exchange:				
Professional & consultancy fee	2.94		3.08	
Others	0.47		0.05	

OTHER NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR 2013-14

1. Share capital

	31.03.2014	31.03.2013
As at		
	31.03.2014	31.03.2013
Equity share capital		
Authorised		
10,00,00,00,000 shares of par value ₹10/- each (previous year 10,00,00,00,000 shares of par value ₹10/- each)	<u>10,000.00</u>	<u>10,000.00</u>
Issued, subscribed and fully paid up		
8,24,54,64,400 shares of par value ₹10/- each (previous year 8,24,54,64,400 shares of par value ₹10/- each)	<u>8,245.46</u>	<u>8,245.46</u>

- a) During the year, the Company has not issued or bought back any shares.
- b) The Company has only one class of equity shares having a par value ₹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.
- c) During the year ended 31st March 2014, the amount of per share dividend recognised as distribution to equity share holders is ₹ 5.75 (previous year ₹ 4.50 and special dividend of ₹ 1.25).
- d) Details of shareholders holding more than 5% shares in the Company:

Particulars	31.03.2014		31.03.2013	
	No. of shares	%age holding	No. of shares	%age holding
- President of India	618,40,98,300	75.00	618,40,98,300	75.00
- Life Insurance Corporation of India	70,67,78,072	8.57	63,12,94,191	7.66

2. Reserves and surplus

	₹ Crore	
As at	31.03.2014	31.03.2013
Capital reserve		
As per last financial statements	154.57	153.62
Add : Transfer from surplus	4.98	0.97
Add : Grants received during the year	0.65	-
Less: Adjustments during the year	1.92	0.02
	<u>158.28</u>	<u>154.57</u>
Securities premium account		
As per last financial statements	2,228.11	2,228.11
Add : Received during the year	0.23	-
	<u>2,228.34</u>	<u>2,228.11</u>
Bonds redemption reserve		
As per last financial statements	2,535.33	2,389.04
Add : Transfer from surplus	576.08	492.79
Less: Transfer to surplus	346.50	346.50
	<u>2,764.91</u>	<u>2,535.33</u>
Add : Transfer from surplus		
General reserve		
As per last financial statements	66,702.80	60,202.80
Add : Transfer from surplus	5,000.00	6,500.00
	<u>71,702.80</u>	<u>66,702.80</u>
Surplus		
As per last financial statements	521.24	72.14
Add: Profit for the year as per Statement of Profit and Loss	10,974.74	12,619.39
Transfer from bond redemption reserve	346.50	346.50
Less: Transfer to bond redemption reserve	576.08	492.79
Transfer to capital reserve	4.98	0.97
Transfer to general reserve	5,000.00	6,500.00
Dividend paid	3,298.19	3,092.07
Tax on dividend paid	560.53	501.61
Proposed dividend	1,442.96	1,649.09
Tax on proposed dividend	244.21	280.26
Net surplus	<u>715.53</u>	<u>521.24</u>
Total	<u><u>77,569.86</u></u>	<u><u>72,142.05</u></u>

- a) Addition to securities premium account represents premium received on issue of tax free bonds through private placement.
- b) During the year, the Company has paid interim dividend of ₹ 4.00 (previous year ₹ 3.75) per equity share of par value ₹ 10/- each for the year 2013-14. Further, the Company has proposed final dividend of ₹ 1.75 (previous year ₹ 2.00 including special dividend of ₹ 1.25) per equity share of par value ₹ 10/- each for the year 2013-14. Thus, the total dividend (including interim dividend) for the financial year 2013-14 is ₹ 5.75 (previous year ₹ 5.75 including special dividend of ₹ 1.25) per equity share of par value ₹ 10/- each.

3. Deferred revenue

	₹ Crore	
As at	31.03.2014	31.03.2013
On account of advance against depreciation	692.55	708.60
On account of income from foreign currency fluctuation	917.33	535.45
Total	<u>1,609.88</u>	<u>1,244.05</u>

- a) Advance against depreciation (AAD) was an element of tariff provided under the Tariff Regulations for 2001-04 and 2004-09 to facilitate debt servicing by the generators since it was considered that depreciation recovered in the tariff considering a useful life of 25 years is not adequate for debt servicing. Though this amount is not repayable to the beneficiaries, keeping in view the matching principle, and in line with the opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI), this was treated as deferred revenue to the extent depreciation chargeable in the accounts is considered to be higher than the depreciation recoverable in tariff in future years. Since AAD is in the nature of deferred revenue and does not constitute a liability, it has been disclosed in this note separately from shareholders' funds and liabilities.
- b) In line with significant accounting policy no. L.2 , an amount of ₹ **16.05 crore** (previous year ₹ 9.87 crore) has been recognized during the year from the AAD and included in energy sales (Note 22).
- c) 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 asset by corresponding credit to deferred income from foreign currency fluctuation in respect of the FERV on foreign currency loans adjusted in the cost of fixed assets, which is recoverable from the customers in future years as provided in accounting policy no. L.3. This amount will be recognized as revenue corresponding to the depreciation charge in future years. The amount does not constitute a liability to be discharged in future periods and hence, it has been disclosed separately from shareholder's funds and liabilities.

4. Long-term borrowings

	₹ Crore	
As at	31.03.2014	31.03.2013
Bonds		
Secured		
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹1,000/- each redeemable at par in full on 16 th December 2033 (Fiftieth Issue - Public Issue - Series 3A) ^{VII}	312.03	-
8.91% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2033 (Fiftieth Issue - Public Issue - Series 3B) ^{VII}	399.97	-
8.48% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2028 (Fiftieth Issue - Public Issue - Series 2A) ^{VII}	249.95	-
8.73% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2028 (Fiftieth Issue - Public Issue - Series 2B) ^{VII}	91.39	-
8.41% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2023 (Fiftieth Issue - Public Issue - Series 1A) ^{VII}	488.02	-
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2023 (Fiftieth Issue - Public Issue - Series 1B) ^{VII}	208.64	-
9.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 04 th May 2023 and ending on 04 th May 2027 (Forty fourth issue - private placement) ^{VII}	500.00	500.00
8.48% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 1 st May 2023 (Seventeenth issue - private placement) ^I	50.00	50.00
8.80% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th April 2023 (Forty ninth issue - private placement) ^{VII}	200.00	-
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 7 th March 2023 (Forty eighth issue - private placement) ^{VII} . Secured during the current year.	300.00	300.00
9.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 25 th January 2023 and ending on 25 th January 2027 (Forty second issue - private placement) ^{III}	500.00	500.00
8.84% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th October 2022 (Forty seventh issue - private placement) ^{VII}	390.00	390.00
8.93% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 19 th January 2021 (Thirty seventh issue - private placement) ^{III}	300.00	300.00
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 31 st March 2020 (Thirty third issue-private placement) ^{III}	195.00	195.00

4. Long-term borrowings

As at	31.03.2014	31.03.2013
8.78% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 9 th March 2020 (Thirty first issue-private placement) ^{III}	500.00	500.00
11.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in five equal annual installments commencing from 6 th Nov 2019 and ending on 6 th Nov 2023 (Twenty seventh issue - private placement) ^{III}	350.00	350.00
7.89% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 5 th May 2019 (Thirtieth issue - private placement) ^{III}	700.00	700.00
8.65% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th February 2019 (Twenty ninth issue - private placement) ^{III}	550.00	550.00
7.50% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 12 th January 2019 (Nineteenth issue - private placement) ^{II}	50.00	50.00
11.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 21 st November 2018 (Twenty eighth issue - private placement) ^{III}	1,000.00	1,000.00
9.3473% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 20 th July 2018 and ending on 20 th July 2032 (Forty sixth issue - private placement) ^{VII}	75.00	75.00
9.4376% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 16 th May 2018 and ending on 16 th May 2032 (Forty fifth issue - private placement) ^{VII}	75.00	75.00
8.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 10 th April 2018 (Sixteenth issue -private placement) ^I	100.00	100.00
9.2573% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 2 nd March 2018 and ending on 2 nd March 2032 (Forty third issue - private placement) ^{III}	75.00	75.00
9.6713 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 23 rd December 2017 and ending on 23 rd December 2031 (Forty first issue - private placement) ^{III}	75.00	75.00
9.558 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 29 th July 2017 and ending on 29 th July 2031 (Fortieth issue - private placement) ^{III}	75.00	75.00

4. Long-term borrowings

	₹ Crore	
As at	31.03.2014	31.03.2013
9.3896% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 9 th June 2017 and ending on 9 th June 2031 (Thirty ninth issue - private placement) ^{III}	105.00	105.00
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 22 nd March 2017 and ending on 22 nd March 2031 (Thirty eighth issue - private placement) ^{III}	75.00	75.00
8.8086% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th December 2016 and ending on 15 th December 2030 (Thirty sixth issue - private placement) ^{III}	75.00	75.00
8.785% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th September 2016 and ending on 15 th September 2030 (Thirty fifth issue - private placement) ^{III}	120.00	120.00
8.71% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 10 th June 2016 and ending on 10 th June 2030 (Thirty fourth issue - private placement) ^{III}	150.00	150.00
8.8493% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 25 th March 2016 and ending on 25 th March 2030 (Thirty second issue - private placement) ^{III}	105.00	105.00
9.37% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty fifth issue - private placement) ^{III}	285.50	357.00
9.06% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty sixth issue - private placement) ^{III}	285.50	357.00
8.6077% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 9 th September 2011 and ending on 9 th March 2021 (Twenty fourth issue - private placement) ^{IV}	300.00	350.00
8.3796% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 5 th August 2011 and ending on 5 th February 2021 (Twenty third issue - private placement) ^{IV}	300.00	350.00

4. Long-term borrowings

	₹ Crore	
As at	31.03.2014	31.03.2013
8.1771% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd July 2011 and ending on 2 nd January 2021 (Twenty second issue - private placement) ^{IV}	300.00	350.00
7.7125% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd August 2010 and ending on 2 nd February 2020 (Twenty first issue - private placement) ^V	500.00	600.00
7.552% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 23 rd September 2009 and ending on 23 rd March 2019 (Twentieth Issue - private placement) ^{VI}	200.00	250.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each with ten equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of the 6 th year and in annual installments thereafter upto the end of 15 th year respectively from 30 th April 2002 (Thirteenth issue - Part B - private placement) ^{VIII}	225.00	300.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each redeemable at par in ten equal annual installments commencing from the end of 6 th year and upto the end of 15 th year respectively from 18 th April 2002 (Thirteenth issue -Part A - private placement) ^{VIII}	225.00	300.00
Unsecured *		
8.61% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2034 (Fifty First Issue C - Private Placement)*	320.00	-
8.63% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2029 (Fifty First Issue B - Private Placement)*	105.00	-
9.34% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 24 th March 2024 (Fifty Second Issue - private placement)*	750.00	-
8.19% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2024 (Fifty First Issue A - Private Placement)*	75.00	-
	12,311.00	9,704.00
Foreign currency notes		
Unsecured		
4.75 % Fixed rate notes due for repayment on 3 rd October 2022	3,030.50	2,745.50
5.625 % Fixed rate notes due for repayment on 14 th July 2021	3,030.50	2,745.50
5.875 % Fixed rate notes due for repayment on 2 nd March 2016	1,818.30	1,647.30
Term loans		
From Banks		
Unsecured		
Foreign currency loans	6,290.80	4,766.70
Rupee loans	18,876.32	13,884.90
From Others		
Unsecured		
Foreign currency loans (guaranteed by GOI)	2,456.03	2,604.09
Other foreign currency loans	2,026.88	1,864.55

4. Long-term borrowings

	₹ Crore	
As at	31.03.2014	31.03.2013
Rupee loans	12,503.04	13,090.55
Deposits		
Unsecured		
Fixed deposits	0.09	0.52
Others		
Unsecured		
Bonds application money pending allotment	-	200.00
Long term maturities of finance lease obligations		
Secured	-	0.05
Unsecured	62.29	-
Total	62,405.75	53,253.66

* Formalities for creation of security as per terms of bond issue are in progress.

a) **Details of terms of repayment and rate of interest**

₹ Crore

Particulars	Non current portion		Current portion	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Term loans				
Secured				
Foreign currency loans (guaranteed by GOI) - Others	-	-	-	96.44
	-	-	-	96.44
Unsecured				
Foreign currency loans (guaranteed by GOI) - Others	2,456.03	2,604.09	173.40	171.73
Foreign currency loans - Banks	6,290.80	4,766.70	257.84	233.59
Other foreign currency loans - Others	2,026.88	1,864.55	393.67	576.19
Rupee loans - Banks	18,876.32	13,884.90	1,758.56	1,753.63
Rupee loans - Others	12,503.04	13,090.55	1,587.52	1,367.73
	42,153.07	36,210.79	4,170.99	4,102.87
Fixed deposits (unsecured)	0.09	0.52	0.43	0.11

- i) Unsecured Foreign Currency Loans (guaranteed by GOI) - Others carry fixed rate of interest ranging from 1.80% p.a. to 2.30% p.a. and are repayable in 25 to 34 semi annual installments as of 31st March 2014.
- ii) Unsecured Foreign Currency Loans – Banks include loans of ₹ 589.81 crore (previous year ₹ 591.81 crore) which carry fixed rate of interest of 1.88% p.a. to 4.31% p.a. and loans of ₹ 5,958.83 crore (previous year ₹ 4,408.48 crore) which carry floating rate of interest linked to 6M LIBOR. These loans are repayable in 2 to 24 semiannual instalments as of 31st March 2014, commencing after moratorium period if any, as per the terms of the respective loan agreements.
- iii) Unsecured Foreign Currency Loans – Others include loans of ₹ 1,424.92 crore (previous year ₹ 1,071.57 crore) which carry fixed rate of interest ranging from 1.88% p.a. to 4.31% p.a. and loans of ₹ 995.63 crore (previous year ₹ 1,277.60 crore) which carry floating rate of interest linked to 6M LIBOR/6M EURIBOR. These loans are repayable in 6 to 24 semiannual installments as of 31st March 2014, commencing after moratorium period if any, as per the terms of the respective loan agreements.
- iv) Unsecured rupee term loans carry interest rate ranging from 5.707 % p.a. to 12.40 % p.a. with monthly/quarterly/half-yearly rests. These loans are repayable in quarterly/half-yearly/yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of seven to fifteen years after a moratorium period of six months to five years.
- v) Unsecured fixed deposits carry interest ranging from 7.00% to 8.00% p.a. payable quarterly/monthly for non-cumulative schemes and on maturity in case of cumulative schemes compounded quarterly. As per the terms, deposits are repayable during a period of one to three years from the date of issue. However, same may be repaid earlier than their respective maturity in pursuance to applicable provisions and regulations of Companies Act, 2013.
- b) The finance lease obligations are repayable in installments as per the terms of the respective lease agreements generally over a period of four to seven years.
- c) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.
- d) During the year, the Company made public issue of ₹1,750 crore (Fiftieth issue - stated above) pursuant to Notification No.61/2013.F.No.178/37/2013-(ITA.I) dated 8th August 2013 issued by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, GOI. The Company has utilised the issue proceeds as per the objects of the issue stated in the prospectus dated 25th November 2013 i.e. funding of capital expenditure and refinancing for meeting the debt requirement in ongoing projects, including recoupment of expenditure already incurred.

Details of securities

- I Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to National Capital Power Station.
- II Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement.
- III Secured by (I) English mortgage, on first pari passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Sipat Super Thermal Power Project by extension of charge already created.
- IV Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of the title deeds of the immovable properties pertaining to Sipat Super Thermal Power Project.
- V Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Barh Super Thermal Power Project on first pari-passu charge basis, ranking pari passu with charge already created in favour of Trustee for other Series of Bonds and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Ramagundam Super Thermal Power Station by extension of charge already created.
- VI Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to Ramagundam Super Thermal Power Station.
- VII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to National Capital Power Station by extension of charge already created.
- VIII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Singrauli Super Thermal Power Station by extension of charge already created.
- IX Security cover mentioned at sl. no. I to VIII is above 100% of the debt securities outstanding.

5. Deferred tax liabilities (net)

₹ Crore

	As at 01.04.2013	Additions/ (Adjustments) during the year	As at 31.03.2014
Deferred tax liability			
Difference in book depreciation and tax depreciation	6,323.06	392.63	6,715.69
Less: Deferred tax assets			
Provisions & other disallowances for tax purposes	775.92	(7.08)	768.84
Disallowances u/s 43B of the Income Tax Act, 1961	333.49	59.10	392.59
	<u>5,213.65</u>	<u>340.61</u>	<u>5,554.26</u>
Less: Recoverable from beneficiaries	4,298.35	204.30	4,502.65
Total	<u>915.30</u>	<u>136.31</u>	<u>1,051.61</u>

- a) The net increase during the year in the deferred tax liability of ₹ **136.31 crore** (previous year ₹ 278.40 crore) has been debited to Statement of Profit and Loss.
- b) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

6. Other long-term liabilities

	₹ Crore	
As at	31.03.2014	31.03.2013
Trade payables	5.59	6.47
Deferred foreign currency fluctuation liability	151.67	135.60
Other liabilities		
Payable for capital expenditure	2,353.46	1,825.87
Others	1.74	1.90
Total	2,512.46	1,969.84

- a) Disclosure with respect to micro and small enterprises as required by the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is made in Note 50.
- b) In line with accounting policy no.L.3, deferred foreign currency fluctuation liability to the extent of ₹ 16.07 crore (previous year ₹ 1.17 crore) has been created during the year.
- c) Other liabilities - Others include deposits received from contractors, customers and other parties.

7. Long-term provisions

		₹ Crore
As at	31.03.2014	31.03.2013
Provision for employee benefits	<u>879.36</u>	<u>739.92</u>

Disclosure as per AS 15 on 'Employee benefits' has been made in Note 39.

8. Trade payables

		₹ Crore
As at	31.03.2014	31.03.2013
For goods and services	<u>6,633.34</u>	<u>5,132.39</u>

Disclosure with respect to micro and small enterprises as required by the MSMED Act is made in Note 50.

9. Other current liabilities

	₹ Crore	
As at	31.03.2014	31.03.2013
Current maturities of long term borrowings		
Bonds - Secured	593.00	693.00
From Banks		
Unsecured		
Foreign currency loans	257.84	233.59
Rupee term loans	1,758.56	1,753.63
From Others		
Secured		
Foreign currency loan (guaranteed by GOI)	-	96.44
Unsecured		
Foreign currency loans (guaranteed by GOI)	173.40	171.73
Other foreign currency loans	393.67	576.19
Rupee term loans	1,587.52	1,367.73
Fixed deposits	0.43	0.11
	4,764.42	4,892.42
Current maturities of finance lease obligations -Secured	0.05	0.22
Interest accrued but not due on borrowings	705.04	626.52
Unpaid dividends	14.19	15.65
Unpaid matured deposits and interest accrued thereon	0.22	0.20
Unpaid matured bonds and interest accrued thereon	0.58	0.59
Unpaid bond refund money-Tax free bonds	0.52	-
Book overdraft	2.71	17.23
Advances from customers and others	383.42	321.81
Payable for capital expenditure	4,540.89	3,536.35
Other payables		
Tax deducted at source and other statutory dues	227.58	168.68
Deposits from contractors and others	112.01	102.67
Gratuity obligations	30.10	93.12
Payable to employees	271.59	452.54
Others	290.54	241.25
Total	11,343.86	10,469.25

- a) Details in respect of rate of interest and terms of repayment of secured and unsecured current maturities of long term borrowings indicated above are disclosed in Note 4.
- b) Unpaid dividends, matured deposits and bonds including the interest accrued thereon include the amounts which have either not been claimed by the investors/holders of the equity shares/bonds/fixed deposits or are on hold pending legal formalities etc. Out of the above, no amount is due for payment to investor education and protection fund.
- c) Payable for capital expenditure includes liabilities of ₹ 165.11 crore (previous year ₹ 378.77 crore) towards an equipment supplier pending evaluation of performance and guarantee test results of steam/turbine generators at some of the stations. Pending settlement, liquidated damages recoverable for shortfall in performance of these equipments, if any, have not been recognised.
- d) Other payables - Others include amount payable to hospitals, retired employees etc.

10. Short-term provisions

	₹ Crore	
As at	31.03.2014	31.03.2013
Provision for		
Employee benefits	1,078.98	1423.64
Proposed dividend	1,442.96	1,649.09
Tax on proposed dividend	244.21	280.26
Obligations incidental to land acquisition	2,822.42	2,053.94
Tariff adjustment	1,275.70	1,316.94
Shortage in fixed assets pending investigation	6.17	1.09
Others	432.16	279.58
Total	7,302.60	7,004.54

- a) Disclosure as per AS 15 'Employee Benefits' has been made in Note 39.
- b) Disclosure as per AS 29 'Provisions, Contingent Liabilities and Contingent Assets' has been made in Note 48.
- c) The Company aggrieved over many of the issues as considered by the CERC in the tariff orders for its stations for the period 2004-09 had filed appeals with the Appellate Tribunal for Electricity (APTEL). The APTEL disposed off the appeals favourably directing the CERC to revise the tariff orders as per directions and methodology given. Some of the issues decided in favour of the Company by the APTEL were challenged by the CERC in the Hon'ble Supreme Court of India. Subsequently, the CERC has issued revised tariff orders for all the stations except one for the period 2004-09, considering the judgment of APTEL subject to disposal of appeals pending before the Hon'ble Supreme Court of India. Towards the above and other anticipated tariff adjustments, provision of ₹ 121.32 crore (previous year ₹166.35 crore) has been made during the year and in respect of some of the stations, an amount of ₹ 162.56 crore (previous year ₹ 63.11 crore) has been written back.
- d) Other provisions include ₹ 53.64 crore (previous year ₹ 46.27 crore) towards cost of unfinished minimum work programme demanded by the Ministry of Petroleum and Natural Gas (MoP&NG) including interest thereon in relation to block AA-ONN-2003/2 [Refer Note 46 (b) (ii)] and ₹ 378.52 crore (previous year ₹ 200.84 crore) towards provision for litigation cases.

11. Tangible Assets

₹ Crore

	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2013	Additions	Deductions/ Adjustments	As at 31.03.2014	Upto 01.04.2013	For the year	Deductions/ Adjustments	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
Land										
(including development expenses)										
Freehold	4,060.95	715.22	(1,010.77)	5,786.94	-	-	-	-	5,786.94	4,060.95
Leasehold	1,445.15	838.46	(81.40)	2,365.01	158.40	266.04	(4.35)	428.79	1,936.22	1,286.75
Roads, bridges, culverts & helipads	583.93	85.26	(10.65)	679.84	203.89	25.22	0.08	229.03	450.81	380.04
Building										
Freehold										
Main plant	4,555.05	75.71	(38.66)	4,669.42	1,333.92	132.75	-	1,466.67	3,202.75	3,221.13
Others	2,490.20	225.31	(20.70)	2,736.21	967.19	102.95	0.15	1,069.99	1,666.22	1,523.01
Leasehold	49.89	-	-	49.89	27.41	1.84	-	29.25	20.64	22.48
Temporary erection	34.69	0.57	0.11	35.15	32.35	0.91	0.17	33.09	2.06	2.34
Water supply, drainage & sewerage system	645.31	27.71	(3.83)	676.85	314.92	20.55	0.14	335.33	341.52	330.39
MGR track and signalling system	1,325.85	26.46	(19.39)	1,371.70	629.82	47.41	-	677.23	694.47	696.03
Railway siding	441.08	150.63	(1.99)	593.70	173.03	25.84	-	198.87	394.83	268.05
Earth dam reservoir	286.56	-	(1.72)	288.28	107.98	14.11	-	122.09	166.19	178.58
Plant and equipment										
Owned	85,075.94	6,985.40	(3,089.33)	95,150.67	35,164.56	4,014.34	199.54	38,979.36	56,171.31	49,911.38
Leased	-	60.00	-	60.00	-	1.06	-	1.06	58.94	-
Furniture and fixtures	414.62	36.08	0.99	449.71	246.03	16.99	0.91	262.11	187.60	168.59
Vehicles including speedboats										
Owned	11.03	1.53	1.50	11.06	5.74	0.77	1.15	5.36	5.70	5.29
Leased	2.16	-	1.57	0.59	1.91	0.20	1.57	0.54	0.05	0.25
Office equipment	158.46	19.95	2.59	175.82	77.26	10.37	2.37	85.26	90.56	81.20
EDP, WP machines and satcom equipment	390.27	23.31	13.12	400.46	268.55	26.67	11.83	283.39	117.07	121.72
Construction equipments	157.63	10.22	(2.71)	170.56	84.49	9.60	0.68	93.41	77.15	73.14
Electrical installations	390.60	37.02	(6.57)	434.19	162.72	15.44	0.54	177.62	256.57	227.88
Communication equipments	95.54	7.24	(0.25)	103.03	52.97	4.98	0.71	57.24	45.79	42.57
Hospital Equipments	32.40	4.36	0.36	36.40	16.27	1.23	0.22	17.28	19.12	16.13
Laboratory and workshop equipments	48.51	9.26	(0.11)	57.88	14.25	2.29	0.04	16.50	41.38	34.26
Assets under 5 KM scheme of the GOI	0.53	86.24	(13.03)	99.80	0.01	20.66	-	20.67	79.13	0.52
Capital expenditure on assets not owned by the Company	179.79	27.38	(0.26)	207.43	145.05	9.54	-	154.59	52.84	34.74
Assets of government	2.81	-	-	2.81	-	-	-	-	2.81	2.81
Less:Grants from government	2.81	-	-	2.81	-	-	-	-	2.81	2.81
Total	1,02,876.14	9,453.32	(4,281.13)	1,16,610.59	40,188.72	4,771.76	215.75	44,744.73	71,865.86	62,687.42
Previous year	81,509.59	19,464.84	(1,901.71)	1,02,876.14	36,465.12	3,877.27	153.67	40,188.72	62,687.42	45,044.47

- a) The conveyancing of the title to **10,806 acres** of freehold land of value ₹ **2,401.12 crore** (previous year 11,322 acres of value ₹ 1,587.59 crore), buildings & structures of value ₹ **50.32 crore** (previous year ₹ 136.74 crore) and also execution of lease agreements for **11, 039 acres** of land of value ₹ **737.70 crore** (previous year 10,515 acres, value ₹ 467.02 crore) in favour of the Company are awaiting completion of legal formalities.
- b) Leasehold land includes **818 acres** valuing ₹ **29.67 crore** (previous year 2,002 acres valuing ₹ 642.07 crore) acquired on perpetual lease and accordingly not amortised.
- c) Land does not include value of **33 acres** (previous year 1,181 acres) of land in possession of the Company. This will be accounted for on settlement of the price thereof by the State Government Authorities.
- d) Land includes **1,523 acres** of value ₹ **173.82 crore** (previous year 1,233 acres of value ₹ 14.99 crore) not in possession of the Company. The Company is taking appropriate steps for repossession of the same.
- e) Land includes an amount of ₹ **168.41 crore** (previous year ₹ 152.48 crore) deposited with various authorities in respect of land in possession which is subject to adjustment on final determination of price.
- f) Possession of land measuring **98 acres** (previous year 98 acres) consisting of **79 acres** of freehold land (previous year 79 acres) and **19 acres** of lease hold land (previous year 19 acres) of value ₹ **0.21 crore** (previous year ₹ 0.21 crore) was transferred to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (erstwhile UPSEB) for a consideration of ₹ **0.21 crore**. Pending approval for transfer of the said land, the area and value of this land has been included in the total land of the Company. The consideration received from erstwhile UPSEB is disclosed under Note -9 - 'Other Current Liabilities' - as other liabilities.
- g) Ministry of Power, Government of India vide its notification no. 2/38/99-BTPS (Volume VII) dated 22nd September 2006 transferred land of a power station to the Company on operating lease of 50 years. Lease rent for the year amounting to ₹ **6.24 crore** (previous year ₹ 6.20 crore) has been charged to the Statement of Profit & Loss.
- h) During the year, the accounting of 'Expenditure towards diversion of forest land' disclosed under Capital Work-in-progress (Note 12) was reviewed considering the status of lease agreements entered with various state authorities. Consequently, an amount of ₹ 233.70 crore has been classified as Tangible Assets-Leasehold land and amortised from the effective date of commencement of lease.
- i) The Company has received an opinion from the EAC of the ICAI on accounting treatment of capital expenditure on assets not owned by the Company wherein it was opined that such expenditure are to be charged to the Statement of Profit & Loss as and when incurred. The Company has represented that such expenditure being essential for setting up of a project, the same be accounted in line with the existing accounting practice and sought a review. Pending receipt of communication from ICAI regarding the review, existing treatment has been continued as per the relevant accounting policy.
- j) Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the generation plants of the Company in terms of Ministry of Power (MOP), Government of India scheme.
- k) From the accounting periods commencing on or after 7th December 2006, the Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items relating to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset.
- l) Additions include ₹ 19.86 crore in freehold land, ₹ 9.60 crore in leasehold land, ₹ 0.01 crore in plant and equipment-owned, ₹ 0.25 crore in furniture and fixtures, ₹ 0.14 crore in office equipment, ₹ 0.34 crore in EDP, WP machines and satcom equipment, ₹ 0.01 crore in electrical installations, ₹ 4.81 crore in capital expenditure on assets not owned by the Company consequent upon amalgamation of NTPC Hydro Ltd. (a wholly owned subsidiary of the Company) .
- m) Refer Note 43 (a) (ii) regarding plant and equipment under finance lease.

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

	Gross Block		Depreciation/Amortisation	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	₹ Crore			
Disposal of assets	9.33	5.36	7.34	4.05
Retirement of assets	284.52	201.91	207.79	142.49
Cost adjustments including exchange differences	(4,478.59)	(2,109.66)	-	-
Assets capitalised with retrospective effect/write back of excess capitalisation	(53.20)	(8.67)	(2.15)	0.18
Others	(43.19)	9.35	2.77	6.95
	(4,281.13)	(1,901.71)	215.75	153.67

o) The borrowing costs capitalised during the year ended 31st March 2014 is ₹ 2,543.96 crore (previous year ₹ 2,148.14 crore). The Company capitalised the borrowings costs in the capital work-in-progress (CWIP). Exchange differences capitalised are disclosed in the 'Addition' column of CWIP and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustment' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of fixed assets. Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of fixed assets and CWIP through 'Addition' or 'Deductions/Adjustments' column are given below:

	For the year ended 31st March 2014		For the year ended 31st March 2013	
	Exchg. Difference incl. in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP	Exchg. difference incl. in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP
	₹ Crore			
Building				
Main plant	5.90	134.29	2.15	121.58
Others	0.92	38.83	0.18	26.81
Hydraulic works, barrages, dams, tunnels and power channel	-	302.47	-	194.24
MGR track and signalling system	0.03	12.94	-	8.94
Railway siding	0.03	22.27	0.03	18.37
Plant and equipment	1,119.78	1,777.90	655.55	1,458.93
Others including pending allocation	723.73	255.26	398.10	319.27
Total	1,850.39	2,543.96	1,056.01	2,148.14

Intangible assets

₹ Crore

	Gross Block			As at 31.03.2014	Upto 01.04.2013	Amortisation		Upto 31.03.2014	Net Block	
	As at 01.04.2013	Additions	Deductions/ Adjustments			For the year	Deductions/ Adjustments		As at 31.03.2014	As at 31.03.2013
Software	95.50	2.69	(0.10)	98.29	91.17	3.05	(0.09)	94.31	3.98	4.33
Right of use - Land	47.73	5.17	3.87	49.03	4.78	2.92	(0.19)	7.89	41.14	42.95
- Others	226.33	-	(7.82)	234.15	24.93	9.37	-	34.30	199.85	201.40
Total	369.56	7.86	(4.05)	381.47	120.88	15.34	(0.28)	136.50	244.97	248.68
Previous year	318.67	44.28	(6.61)	369.56	106.78	13.85	(0.25)	120.88	248.68	211.89

- a) The right of use of land & others are amortized over the period of legal right to use or life of the related plant, whichever is less.
- b) Right of use –land includes ₹ 43.15 crore (previous year ₹ 41.85 crore) and right to use-others includes ₹ 234.15 crore (previous year ₹ 226.33 crore) which are amortised over a period of more than ten years considering the useful life of these assets as per the related agreements / arrangements.
- c) During the year, the accounting of 'Expenditure towards diversion of forest land' disclosed under Capital Work-in-progress (Note-12) was reviewed considering the status of lease agreements entered with various state authorities. Consequently, an amount of ₹ 0.31 crore has been classified as Intangible Assets-Right of Use land and amortised from the effective date of diversion.
- d) Cost of acquisition of the right for drawl of water amounting to ₹ 234.15 crore (previous year ₹ 226.33 crore) is included under intangible assets – Right of use - Others.
- e) Additions include ₹ 0.03 crore in software consequent upon amalgamation of NTPC Hydro Ltd. (a wholly owned subsidiary of the Company) .
- f) Deduction/adjustments from gross block and amortisation for the year includes:

	Gross Block		Amortisation	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Cost adjustments including exchange differences	(3.28)	(6.30)	-	-
Assets capitalised with retrospective effect/write back of excess capitalisation	(0.68)	0.08	(0.18)	0.07
Others	(0.09)	(0.39)	(0.10)	(0.32)
	(4.05)	(6.61)	(0.28)	(0.25)

Depreciation/amortisation of tangible and intangible assets for the year is allocated as given below:

	₹ Crore	
	31.03.2014	31.03.2013
Charged to statement of profit & loss	4,142.19	3,396.76
Allocated to fuel cost	240.15	201.35
Transferred to expenditure during construction period (net) - Note 28	268.95	36.11
Transferred to development of coal mines	1.33	1.20
Adjustment with deferred income/expense from deferred foreign currency fluctuation	134.48	255.70
	4,787.10	3,891.12

12. Capital work-in-progress

	₹ Crore				
	As at 01.04.2013	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2014
Development of land	439.73	236.62	65.36	-	610.99
Roads, bridges, culverts & helipads	75.86	116.67	(45.48)	85.26	152.75
Piling and foundation	575.25	37.88	4.80	-	608.33
Buildings					
Main plant	1,440.00	1,112.24	239.78	75.71	2,236.75
Others	612.39	444.30	32.83	225.31	798.55
Temporary erection	6.15	36.71	12.67	0.57	29.62
Water supply, drainage and sewerage system	51.75	40.97	7.03	26.89	58.80
Hydraulic works, barrages, dams, tunnels and power channel	4,065.48	753.09	62.72	-	4,755.85
MGR track and signalling system	245.41	68.12	19.34	26.46	267.73
Railway siding	360.95	149.24	81.67	150.63	277.89
Earth dam reservoir	49.54	4.82	5.61	-	48.75
Plant and equipment	24,793.93	12,083.59	1,822.99	6,906.45	28,148.08
Furniture and fixtures	11.93	21.78	(2.80)	16.91	19.60
Vehicles	0.64	0.21	0.41	0.24	0.20
Office equipment	3.32	6.07	1.69	4.00	3.70
EDP/WP machines & satcom equipment	3.52	1.64	0.17	3.75	1.24
Construction equipments	0.01	0.34	0.01	-	0.34
Electrical installations	74.17	61.55	(1.24)	34.71	102.25
Communication equipments	2.71	1.75	1.32	1.50	1.64
Hospital equipments	0.15	0.34	-	0.15	0.34
Laboratory and workshop equipments	0.16	0.37	0.02	0.14	0.37
Assets under 5 KM scheme of the GOI	58.23	40.79	0.28	86.25	12.49
Capital expenditure on assets not owned by the company	20.67	52.82	(3.15)	22.56	54.08
Exploratory wells-in-progress	7.66	-	7.66	-	-
Development of coal mines	376.16	260.37	-	-	636.53
	<u>33,275.77</u>	<u>15,532.28</u>	<u>2,313.69</u>	<u>7,667.49</u>	<u>38,826.87</u>
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	99.76	47.89	0.39	-	147.26
Difference in exchange on foreign currency loans	851.36	940.35	291.46	-	1,500.25
Expenditure towards diversion of forest land	233.70	0.31	234.01	-	-
Pre-commissioning expenses (net)	27.03	317.03	212.58	-	131.48
Expenditure during construction period (net)	496.45	3,687.06	*	-	4,183.51
Less: Allocated to related works	-	3,668.62	-	-	3,668.62
	<u>34,984.07</u>	<u>16,856.30</u>	<u>3,052.13</u>	<u>7,667.49</u>	<u>41,120.75</u>
Less: Provision for unserviceable works	71.43	6.63	8.84	-	69.22
Construction stores (net of provision)	<u>2,196.78</u>	<u>1,638.43</u>	<u>-</u>	<u>-</u>	<u>3,835.21</u>
Total	<u>37,109.42</u>	<u>18,488.10</u>	<u>3,043.29</u>	<u>7,667.49</u>	<u>44,886.74</u>
Previous year	41,827.82	13,429.22	857.71	17,289.91	37,109.42

* Brought from expenditure during construction period (net) - Note 28

- Construction stores are net of provision for shortages pending investigation amounting to ₹ 0.27 crore (previous year ₹ 0.63 crore).
- Pre-commissioning expenses for the year amount to ₹ 346.09 crore (previous year ₹ 446.98 crore) and after adjustment of pre-commissioning sales of ₹ 29.06 crore (previous year ₹ 266.30 crore) resulted in net pre-commissioning expenditure of ₹ 317.03 crore (previous year ₹ 180.68 crore).
- Additions to the development of coal mines includes expenditure during construction period of ₹ 260.37 crore (previous year ₹ 96.42 crore).
- Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the generation plants of the Company in terms of Ministry of Power (MOP), Government of India scheme.
- During the year, the accounting of 'Expenditure towards diversion of forest land' was reviewed considering the status of lease agreements entered with various state authorities. Consequently, an amount of ₹ 233.70 crore has been classified as Tangible Assets-Leasehold land and an amount of ₹ 0.31 crore has been classified under Intangible Assets-Right of use-Land, in Note 11.
- Additions include ₹ 5.66 crore in roads, bridges, culverts and helipads, ₹ 30.62 crore in hydraulic works, barrages, dams, tunnels and power channel, ₹ 5.69 crore in survey, investigation, consultancy and supervision charges, ₹ 0.31 crore in expenditure towards diversion of forest land and ₹ 54.16 crore in expenditure during construction period (net) consequent upon amalgamation of NTPC Hydro Ltd. (a wholly owned subsidiary of the Company).

	₹ Crore				
	As at 01.04.2013	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2014
Intangible assets under development					
Exploratory wells-in-progress	-	1.91	(7.66)	-	9.57
	<u>-</u>	<u>1.91</u>	<u>(7.66)</u>	<u>-</u>	<u>9.57</u>
Less: Provision for unserviceable works	-	-	(7.64)	-	7.64
Total	<u>-</u>	<u>1.91</u>	<u>(0.02)</u>	<u>-</u>	<u>1.93</u>
Previous year	0.04	-	0.04	-	-

13. Non-current investments

As at			31.03.2014	31.03.2013
	Number of shares/bonds/ securities	Face value per share/bond/ security		₹ Crore
	Current year/ (previous year)	Current year/ (previous year) (₹)		
Long term - Trade				
Equity instruments (fully paid up - unless otherwise stated)				
Quoted				
PTC India Ltd.	12000000 (12000000)	10 (10)	12.00	12.00
			12.00	12.00
Unquoted				
Subsidiary companies				
NTPC Electric Supply Company Ltd.	80910 (80910)	10 (10)	0.08	0.08
NTPC Vidyut Vyapar Nigam Ltd.	20000000 (20000000)	10 (10)	20.00	20.00
NTPC Hydro Ltd.	- (121359500)	- (10)	-	121.36
Less: Provision for diminution in value			-	8.14
			-	113.22
Kanti Bijlee Utpadan Nigam Ltd.	473001233 (357151233)	10 (10)	473.00	357.15
Bhartiya Rail Bijlee Company Ltd.	774152309 (509460000)	10 (10)	774.15	509.46
			1,267.23	999.91
Share application money pending allotment in				
NTPC Hydro Ltd.			-	0.20
Kanti Bijlee Utpadan Nigam Ltd.			39.51	25.65
Bhartiya Rail Bijlee Company Ltd. (* ₹ 39,000/-)			60.66	*
			100.17	25.85
Joint venture companies				
Utility Powertech Ltd. (includes 1000000 bonus shares)	2000000 (2000000)	10 (10)	1.00	1.00
NTPC-Alstom Power Services Private Ltd.	3000000 (3000000)	10 (10)	3.00	3.00
NTPC-SAIL Power Company Private Ltd.	490250050 (490250050)	10 (10)	490.25	490.25
NTPC-Tamil Nadu Energy Company Ltd.	1265606112 (1143606112)	10 (10)	1,265.61	1,143.61
Ratnagiri Gas & Power Private Ltd.	974308300 (974308300)	10 (10)	974.30	974.30
Aravali Power Company Private Ltd.	1257508200 (1159508200)	10 (10)	1,257.51	1,159.51
NTPC-SCCL Global Ventures Private Ltd.	50000 (50000)	10 (10)	0.05	0.05
NTPC BHEL Power Projects Private Ltd.	50000000 (25000000)	10 (10)	50.00	25.00
Meja Urja Nigam Private Ltd.	412429800 (378789800)	10 (10)	412.43	378.79
BF-NTPC Energy Systems Ltd.	5880000 (5880000)	10 (10)	5.88	5.88

As at			31.03.2014	31.03.2013
	Number of shares/bonds/ securities	Face value per share/bond/ security		
	Current year/ (previous year)	Current year/ (previous year) (₹)		
National Power Exchange Ltd.	2188325	10	2.19	2.19
	(2188325)	(10)		
Less: Provision for diminution in value			1.06	1.04
			1.13	1.15
Nabinagar Power Generating Company Private Ltd.	470125000	10	470.13	153.00
	(153000000)	(10)		
Transformers and Electricals Kerala Ltd.	19163438	10	31.34	31.34
	(19163438)	(10)		
National High Power Test Laboratory Private Ltd.	14875000	10	14.88	11.06
	(11060000)	(10)		
International Coal Ventures Private Ltd.	1400000	10	1.40	1.40
	(1400000)	(10)		
Energy Efficiency Services Ltd.	22500000	10	22.50	22.50
	(22500000)	(10)		
CIL NTPC Urja Private Ltd.	25000	10	0.03	0.03
	(25000)	(10)		
Anushakti Vidhyut Nigam Ltd.	49000	10	0.05	0.05
	(49000)	(10)		
Pan-Asian Renewables Private Ltd.	1500000	10	1.50	0.50
	(500000)	(10)		
Trincomalee Power Company Ltd. (* Srilankan rupees)	1500000	100*	6.72	6.72
	(1500000)	(100)		
Bangladesh-India Friendship Power Company Pvt.Ltd. (* Bangladeshi Taka)	800000	100*	6.12	-
	(-)	(-)		
			5,015.83	4,409.14
Share application money pending allotment in				
NTPC-Tamilnadu Energy Company Ltd.			59.99	-
Aravali Power Company Private Ltd.			14.17	49.01
Meja Urja Nigam Private Ltd.			-	33.64
Nabinagar Power Generating Company Pvt. Ltd.			-	317.12
CIL NTPC Urja Private Ltd.			0.05	0.05
Energy Efficiency Services Ltd.			-	2.50
			74.21	402.32
Cooperative societies				
			#	#
Bonds (fully paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of				
Andhra Pradesh	1260650	1000	126.07	252.13
	(2521300)	(1000)		
Assam	51464	1000	5.15	10.29
	(102928)	(1000)		
Bihar	1894400	1000	189.44	378.88
	(3788800)	(1000)		
Chattisgarh	483220	1000	48.32	96.64
	(966440)	(1000)		
Gujarat	837240	1000	83.72	167.45
	(1674480)	(1000)		
Haryana	1075000	1000	107.50	215.00
	(2150000)	(1000)		
Himachal Pradesh	33388	1000	3.34	6.68
	(66776)	(1000)		

As at			31.03.2014	₹ Crore 31.03.2013
	Number of shares/bonds/ securities	Face value per share/bond/ security	Current year/ (previous year)	Current year/ (previous year) (₹)
Jammu and Kashmir	367360 (734720)	1000 (1000)	36.74	73.47
Jharkhand	960136 (1920256)	1000 (1000)	96.01	192.03
Kerala	1002400 (2004800)	1000 (1000)	100.24	200.48
Madhya Pradesh	830840 (1661680)	1000 (1000)	83.08	166.17
Maharashtra	381400 (762800)	1000 (1000)	38.14	76.28
Orissa	1102874 (2205748)	1000 (1000)	110.29	220.57
Punjab	346230 (692460)	1000 (1000)	34.62	69.25
Rajasthan	290000 (435000)	1000 (1000)	29.00	43.50
Sikkim	34196 (68392)	1000 (1000)	3.42	6.84
Uttar Pradesh	3989900 (7979800)	1000 (1000)	398.99	797.98
Uttaranchal	399650 (799300)	1000 (1000)	39.97	79.93
West Bengal	1174248 (2348496)	1000 (1000)	117.42	234.85
			1,651.46	3,288.42
Total			8,120.90	9,137.64
Aggregate amount of quoted investments				
Book value			12.00	12.00
Market value			81.36	71.94
Aggregate amount of unquoted investments				
Book value			8,108.90	9,125.64
Aggregate amount of provision for diminution in the value of investments			1.06	9.18

Equity shares of ₹ 30,200/- (previous year ₹ 30,200/-) held in various employee co-operative societies.

- Investments have been valued considering the accounting policy no.J.
- During the year, NTPC Hydro Ltd. (a wholly owned subsidiary of the Company) has been merged with the Company consequent to the order of Ministry of Corporate Affairs, GOI w.e.f. 1st April 2013.
- The Board of Directors of NTPC Limited in its meeting held on 7th November 2012 accorded in principle approval for withdrawal from National Power Exchange Ltd. (NPEX) (a joint venture of the Company). In the meeting of Group of Promoters (GOP) held on 21st March 2014, GOP recommended for voluntary winding up of NPEX and the same has been approved by the Board of NPEX in its meeting held on 21st March 2014. Pending withdrawal and other formalities, provision of ₹ 1.06 crore (previous year ₹ 1.04 crore) towards the diminution other than temporary in the value of investment in NPEX has been made.
- The Board of Directors of NTPC Limited in its meeting held on 27th January 2012 accorded in principle approval for withdrawal from International Coal Ventures Private Limited (a joint venture of the Company). Cabinet approval for the same is awaited, subsequent to which, the process of withdrawal shall commence.
- Restrictions for the disposal of investments held by the Company and commitments towards certain Subsidiary & Joint Venture entities are disclosed in Note 53 b) to 53 e).

14. Long-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2014	31.03.2013
Capital advances		
Secured	24.06	58.88
Unsecured		
Covered by bank guarantee	4,370.63	3,775.96
Others	4,249.25	3,092.47
Considered doubtful	2.59	2.54
Less: Allowance for bad & doubtful advances	2.59	2.54
	8,643.94	6,927.31
Security deposits (unsecured)	74.18	82.84
Loans		
Related parties		
Unsecured	0.01	0.03
Employees (including accrued interest)		
Secured	402.07	395.88
Unsecured	140.50	142.74
Loan to state government in settlement of dues from customers (Unsecured)	143.59	239.31
Others		
Secured	40.00	14.29
Unsecured	4.88	8.86
	731.05	801.11
Advances		
Contractors & suppliers, including material issued on loan		
Unsecured	607.52	65.58
Advance tax & tax deducted at source	9,434.36	11,460.19
Less: Provision for current tax	6,714.83	9,703.62
	2,719.53	1,756.57
Total	12,776.22	9,633.41
a) Due from directors and officers of the Company		
Directors (₹20,305/-)	*	0.03
Officers	0.01	0.01
b) Loans to related parties include:		
Key management personnel (₹20,305/-)	*	0.03
c) Loans and advances include amounts due from the following private companies in which one or more directors of the Company are directors:		
NTPC-Alstom Power Services Private Ltd.	0.04	-
NTPC BHEL Power Projects Private Ltd.	213.21	-

14. Long-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2014	31.03.2013
d) Capital advances include ₹ 252.22 crore (previous year ₹ 226.27 crore), paid to a contractor pending settlement of certain claims which are under arbitration. The amount will be adjusted in the cost of related work or recovered from the party, depending upon the outcome of the arbitration proceedings.		
e) Capital advances include amount due from related parties ₹ 0.04 crore (previous year ₹ 0.08 crore).		
f) Other loans include loan of ₹ 40.00 crore (previous year ₹ 14.29 crore) given to Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC) and ₹ 4.29 crore (previous year ₹ 8.86 crore) to Kanti Bijlee Utpadan Nigam Ltd.		

15. Other non-current assets

	₹ Crore	
As at	31.03.2014	31.03.2013
Deferred foreign currency fluctuation asset	1,360.77	1,132.77
Claims recoverable	<u>426.00</u>	<u>358.42</u>
	<u><u>1786.77</u></u>	<u><u>1491.19</u></u>

- a) In line with accounting policy no.L.3, deferred foreign currency fluctuation asset has been accounted and (-) ₹ 257.31 crore (previous year (-) ₹ 296.96 crore) being exchange fluctuations on account of foreign currency loans has been recognised as energy sales in Note 22.
- b) Claims recoverable represents the cost incurred upto 31st March 2014 in respect of one of the hydro power projects, the construction of which has been discontinued on the advice of the Ministry of Power, GOI. This includes ₹ 176.22 crore (previous year ₹ 109.65 crore) in respect of arbitration awards challenged/being challenged by the Company before High Court. In the event the High Court grants relief to the Company, the amount would be adjusted against Short Term Provisions - Others (Note 10). Management expects that the total cost incurred, anticipated expenditure on the safety and stabilisation measures, other recurring site expenses and interest costs as well as claims of contractors/vendors for various packages for this project will be compensated in full by the GOI. Hence, no provision is considered necessary. Also refer Note 21 c).

16. Current investments

As at			₹ Crore	
			31.03.2014	31.03.2013
	Number of bonds/ securities	Face value per bond/ security		
	Current year/ (previous year)	Current year/ (previous year) (₹)		
Trade				
Current maturities of long term investments				
Bonds (fully-paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of				
Andhra Pradesh	1260650 (1260650)	1000 (1000)	126.07	126.07
Assam	51464 (51464)	1000 (1000)	5.15	5.15
Bihar	1894400 (1894400)	1000 (1000)	189.44	189.44
Chattisgarh	483220 (483220)	1000 (1000)	48.32	48.32
Gujarat	837240 (837240)	1000 (1000)	83.73	83.73
Haryana	1075000 (1075000)	1000 (1000)	107.50	107.50
Himachal Pradesh	33388 (33388)	1000 (1000)	3.34	3.34
Jammu and Kashmir	367360 (367360)	1000 (1000)	36.74	36.74
Jharkhand	960120 (960120)	1000 (1000)	96.01	96.01
Kerala	1002400 (1002400)	1000 (1000)	100.24	100.24
Madhya Pradesh	830840 (830840)	1000 (1000)	83.08	83.08
Maharashtra	381400 (381400)	1000 (1000)	38.14	38.14
Orissa	1102874 (1102874)	1000 (1000)	110.29	110.29
Punjab	346230 (346230)	1000 (1000)	34.62	34.62
Rajasthan	145000 (-)	1000 (-)	14.50	-
Sikkim	34196 (34196)	1000 (1000)	3.42	3.42
Uttar Pradesh	3989900 (3989900)	1000 (1000)	398.99	398.99
Uttaranchal	399650 (399650)	1000 (1000)	39.96	39.96
West Bengal	1174248 (1174248)	1000 (1000)	117.42	117.42
Total			1,636.96	1,622.46
Aggregate amount of unquoted investments				
Book value			1,636.96	1,622.46
a) Investments have been valued considering the accounting policy no.J.				
b) The above investments are unquoted and hence market value is not applicable.				

17. Inventories

	₹ Crore	
As at	31.03.2014	31.03.2013
Coal	1,957.45	885.62
Fuel oil	337.51	364.99
Naphtha	119.81	146.77
Stores and spares	2,493.77	2,210.19
Chemicals & consumables	62.66	73.51
Loose tools	6.55	5.70
Steel scrap	22.15	20.96
Others	446.09	413.40
	5,445.99	4,121.14
Less: Provision for shortages	2.17	1.87
Provision for obsolete/unserviceable items/ diminution in value of surplus inventory	70.47	62.08
Total	5,373.35	4,057.19
Inventories include material-in-transit, valued at cost		
Coal	143.65	75.02
Stores and spares	37.10	29.13
Chemicals & consumables	0.82	0.62
Loose tools	0.27	0.05
Others	4.30	2.27
	186.14	107.09

- a) Inventory items, other than steel scrap have been valued considering the accounting policy no.K.1. Steel scrap has been valued at estimated realisable value.
- b) Inventories - Others includes steel, cement, ash bricks etc.

18. Trade receivables

	₹ Crore	
As at	31.03.2014	31.03.2013
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	5.91	59.41
Considered doubtful	0.03	0.03
Less: Allowance for bad & doubtful receivables	0.03	0.03
	5.91	59.41
Others - unsecured, considered good	5,214.17	5,305.59
Total	5,220.08	5,365.00

19. Cash and bank balances

	₹ Crore	
As at	31.03.2014	31.03.2013
Cash & cash equivalents		
Balances with banks		
Current accounts	62.95	286.21
Cheques & drafts on hand	61.50	64.97
Balance with Reserve Bank of India	30.79	29.03
Others (Stamp on hand)	0.08	0.09
	155.32	380.30
Other bank balances		
Deposits with original maturity of more than three months but not more than twelve months	15,141.30	16,469.97
Others [#]	14.75	17.43
Total	15,311.37	16,867.70
[#] Not available for use to the Company and include:		
Unpaid dividend account balance	14.19	15.65
Unpaid refund account balance	0.52	-
Balance with Reserve Bank of India *	0.02	1.77
Security with government authorities	0.02	0.01
	14.75	17.43

* Out of margin money kept with Reserve Bank of India in terms of Rule 3 A of the Companies (Acceptance of Deposits) Rules, 1975 for fixed deposits from public.

20. Short-term loans and advances (Considered good, unless otherwise stated)

As at	31.03.2014	₹ Crore 31.03.2013
Loans		
Related parties		
Unsecured	0.03	0.04
Employees (including accrued interest)		
Secured	77.38	76.27
Unsecured	94.46	90.86
Loan to state government in settlement of dues from customers		
Unsecured	95.73	95.73
Others		
Secured	10.00	35.71
Unsecured	3.71	35.99
	281.31	334.60
Advances		
Related parties		
Unsecured	3.54	3.40
Employees		
Unsecured	10.22	8.59
Considered doubtful	0.03	0.11
Contractors & suppliers, including material issued on loan		
Secured	-	6.71
Unsecured	1,747.97	533.85
Considered doubtful	2.31	1.51
Others		
Unsecured	181.01	202.64
Considered doubtful	0.02	0.02
Less: Allowance for bad & doubtful advances	2.36	1.64
	1,942.74	755.19
Security deposits (unsecured)	893.03	655.78
Total	3,117.08	1,745.57
a) Due from Directors and Officers of the Company		
Directors	0.03	0.04
Officers(* ₹33,168/-, # ₹ 28,236/-)	*	#
b) Loans to related parties include:		
Key management personnel	0.03	0.04
c) Advance to related parties include:		
Joint venture companies	0.17	2.30
d) Loans and advances include amounts due from the following private companies in which one or more directors of the Company are directors:		
NTPC-Alstom Power Services Private Ltd.	0.68	1.33

20. Short-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2014	31.03.2013
NTPC-SAIL Power Company Private Ltd.	2.09	25.54
Aravali Power Company Private Ltd.	5.02	10.75
NTPC BHEL Power Projects Private Ltd.	1.50	0.93
Meja Urja Nigam Private Limited	4.60	4.85
Nabinagar Power Generating Company Private Ltd.*	0.13	2.63
International Coal Ventures Private Ltd.	-	0.00
Pan-Asian Renewables Private Ltd.	-	0.13
Bangladesh India Friendship Power Company Pvt.Ltd.	1.46	0.00

* As at the Balance Sheet date, no director of the Company is a director on the Board of this Company.

- e) Other loans represent loans of **₹ 10.00 crore** (previous year ₹ 35.71 crore) given to APIIC and **₹ 3.71 crore** (previous year ₹ 3.72 crore) to Kanti Bijlee Utpadan Nigam Ltd..
- f) Other advances mainly represent prepaid expenses amounting to **₹ 64.92 crore** (previous year ₹ 57.89 crore).
- g) Security deposit (unsecured) includes **₹ 211.92 crore** (previous year ₹ 200.35 crore) sales tax deposited under protest with sales tax authorities.

21. Other current assets

	₹ Crore	
As at	31.03.2014	31.03.2013
Interest accrued on		
Bonds	174.24	243.19
Term deposits	586.35	824.34
Others	46.52	23.95
	807.11	1,091.48
Claims recoverable		
Unsecured, considered good	1,743.26	4,418.99
Considered doubtful	13.77	13.05
Less: Allowance for doubtful claims	13.77	13.05
	1,743.26	4,418.99
Unbilled revenue	6,646.93	5,624.27
Assets held for disposal	2.60	2.96
Others	12.05	13.08
Total	9,211.95	11,150.78

- a) Others include amount recoverable from contractors and other parties towards hire charges, rent/electricity, etc.
- b) Unbilled revenue is net of credits to be passed to beneficiaries at the time of billing and includes ₹ **7,069.70 crore** (previous year ₹ 6,005.41 crore) billed to the beneficiaries after 31st March for energy sales.
- c) Claims recoverable are net of the first phase amount of ₹ 536.30 crore, received from the GOI in September 2013 towards the cost incurred in respect of one of the hydro power projects which has been discontinued on the advice of Ministry of Power, GOI. Balance amount of ₹ 426.00 crore recoverable from the GOI is disclosed in Note 15(b).

22. Revenue from operations (gross)

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Energy sales (including electricity duty)	72,115.06	64,715.88
Consultancy, project management and supervision fee (including turnkey construction projects)	112.66	126.81
	72,227.72	64,842.69
Energy internally consumed	83.39	76.73
Other operating revenues		
Interest from customers	131.48	432.60
Recognized from deferred foreign currency fluctuation liability	1.56	3.52
Provisions written back		
Tariff adjustments	162.56	63.11
Doubtful debts	-	840.67
Doubtful loans, advances and claims	0.06	0.33
Shortage in construction stores	0.54	0.58
Shortage in stores	0.88	0.57
Obsolescence in stores	2.14	1.26
Unserviceable capital works	1.20	0.90
Shortages in fixed assets	0.32	0.39
Others	32.17	-
	199.87	907.81
Total	72,644.02	66,263.35

- a) The Central Electricity Regulatory Commission (CERC) notified the Tariff Regulations, 2009 in January 2009, and First, Second and Third Amendments thereto in May 2011, June 2011 and December 2012 respectively (Regulations, 2009). In line with the Regulations, 2009, the CERC has issued provisional/final tariff orders w.e.f. 1st April 2009 for all the stations except for four stations. Beneficiaries are billed in accordance with the said provisional/final tariff orders except for four stations where it is done on provisional basis. The amount billed for the year ended 31st March 2014 on this basis is **₹ 68,704.03 crore** (previous year ₹ 61,794.68 crore).
- b) In respect of stations for which the CERC has issued final tariff orders under the Regulations, 2009 and Renewable Energy Regulations, 2009, sales have been recognised at **₹ 66,209.42 crore** for the year ended 31st March 2014 (previous year ₹ 61,650.23 crore) after truing up capital expenditure to arrive at the capacity charges. For other stations, pending determination of station-wise final tariff by the CERC, sales have been provisionally recognised at **₹ 3,386.70 crore** for the year ended 31st March 2014 (previous year ₹ 998.24 crore) on the basis of principles enunciated in the said Regulations, 2009 after truing-up capital expenditure to arrive at the capacity charges.
- c) Sales include **₹ 2,086.82 crore** for the year ended 31st March 2014 (previous year ₹ 1,241.90 crore) pertaining to previous years recognized based on the orders issued by the CERC/Appellate Tribunal for Electricity (APTEL).
- d) Sales include (-) **₹ 269.99 crore** for the year ended 31st March 2014 (previous year ₹ 246.04 crore) on account of income-tax recoverable from the beneficiaries as per Regulations, 2004. Sales also include **₹ 77.02 crore** for the year ended 31st March 2014 (previous year ₹ 53.16 crore) on account of deferred tax materialized which is recoverable from beneficiaries as per Regulations, 2009.
- e) Electricity duty on energy sales amounting to **₹ 625.09 crore** (previous year ₹ 526.31 crore) has been reduced from sales in the statement of profit and loss.

22. Revenue from operations (gross)

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
f) Revenue from operations include ₹ 83.39 crore (previous year ₹ 76.73 crore) towards energy internally consumed, valued at variable cost of generation and the corresponding amount is included in power charges (Note 26).		
g) CERC Regulations provides that where after the truing-up, the tariff recovered is less/more than the tariff approved by the Commission, the generating Company shall recover/pay from/to the beneficiaries the under/over recovered amount along-with simple interest. Accordingly, the interest recoverable from the beneficiaries amounting to ₹ 131.48 crore (previous year ₹ 432.60 crore) has been accounted as 'Interest from customers'. Further, the amount payable to the beneficiaries has been accounted as 'Interest to customers' (Note 26).		

23. Other income

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Interest from		
Long-term investments - Government securities (8.5% tax free bonds)	382.95	520.86
Others		
Loan to state government in settlement of dues from customers (8.5% tax free)	26.44	34.58
Loan to subsidiary companies	1.69	2.37
Loan to employees	30.67	28.84
Contractors	44.57	36.25
Deposits with banks/Reserve Bank of India	1,600.15	1,839.30
Income tax refunds	154.54	39.41
Less : Refundable to customers	80.53	0.02
	74.01	39.39
Others	9.12	8.22
Dividend from		
Long-term investments in		
Subsidiaries	-	25.00
Joint ventures	73.90	103.66
Current investments in		
Mutual funds	64.35	112.66
Other non-operating income		
Surcharge received from customers	76.66	87.75
Hire charges for equipment	3.13	4.28
Net gain in foreign currency transactions & translations	51.33	27.90
Sale of scrap	83.13	89.06
Liquidated damages recovered	12.89	11.82
Profit on redemption of current investments	28.53	-
Net gain on sale of current investments	3.15	0.18
Miscellaneous income	215.31	217.07
Profit on disposal of fixed assets	12.86	4.62
	2,794.84	3,193.81
Less: Transferred to expenditure during construction period (net) - Note 28	47.46	38.84
Transferred to development of coal mines	7.16	8.30
Transferred to deferred foreign currency fluctuation asset/liability	51.33	27.90
Total	2,688.89	3,118.77

Miscellaneous income includes income from township recoveries and receipts towards insurance claims.

24. Employee benefits expense

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Salaries and wages	3,323.71	3,283.99
Contribution to provident and other funds	999.36	546.49
Staff welfare expenses	444.47	355.00
	4,767.54	4,185.48
Less: Allocated to fuel cost	240.16	193.58
Transferred to development of coal mines	41.10	34.31
Transferred to NVVN for reimbursement from fly ash utilisation fund	15.48	-
Transferred to expenditure during construction period (net)- Note 28	602.81	541.63
Total	3,867.99	3,415.96

- a) Disclosures as per AS 15 in respect of provision made towards various employee benefits are made in Note 39.
- b) Salary and wages include special allowance paid by the Company to eligible employees serving in difficult and far flung areas w.e.f. 26th November 2008. As per the Office Memorandum dated 26th November 2008 of DPE relating to revision of pay scales w.e.f 1st January 2007, special allowance can be paid to such employees upto 10% of basic pay as approved by concerned administrative ministry. In line with the office memorandum dated 22nd June 2010 of DPE, Board of Directors has approved the Special Allowance (Difficult and Far Flung Areas) to eligible employees. The approval of MOP for the same is awaited.
- c) During the year, a defined contribution pension scheme of the Company has been implemented effective from 1st January 2007. Employee benefits expense for the year includes ₹ 346.56 crore as additional contribution for the period from 1st January 2007 to 31st March 2013.
- d) During the year, detailed guidelines were framed for utilization of Fly Ash Utilisation Fund (“Fund”) maintained by NTPC Vidyut Vyapar Nigam Limited (NVVN), a wholly owned subsidiary of the Company, and accordingly, ₹15.48 crore on account of employee benefits to personnel engaged in the ash utilisation activities was transferred to NVVN for reimbursement from the Fund.

25. Finance costs

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Interest on		
Bonds	961.67	900.87
Foreign currency term loans	253.96	235.33
Rupee term loans	3,056.24	2,753.01
Public deposits	0.05	0.16
Foreign currency bonds/notes	521.77	345.91
Others	26.23	73.14
	4,819.92	4,308.42
Other borrowing costs		
Bonds servicing & public deposit expenses	2.34	2.38
Guarantee fee	33.50	39.84
Management/arrangers fee	16.41	36.24
Foreign currency bonds/notes expenses	1.07	6.05
Insurance premium on foreign currency loans	85.39	27.39
Bond issue expenses	10.60	0.37
Others	4.25	2.30
	153.56	114.57
Exchange differences regarded as an adjustment to interest costs	-	(350.21)
	4,973.48	4,072.78
Less: Transferred to expenditure during construction period (net) - Note 28	2,488.85	2,101.90
Transferred to development of coal mines	78.04	46.52
Total	2,406.59	1,924.36

26. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Power charges	249.73	172.89
Less: Recovered from contractors & employees	<u>20.07</u>	<u>18.47</u>
	229.66	154.42
Water charges	450.92	488.67
Stores consumed	47.60	46.35
Rent	30.66	28.38
Less: Recoveries	<u>8.05</u>	<u>7.83</u>
	22.61	20.55
Load dispatch centre charges	144.40	41.66
Repairs & maintenance		
Buildings	189.92	170.91
Plant & machinery	1,850.79	1,782.45
Others	126.67	105.91
Insurance	116.76	104.62
Interest to customers	59.37	5.72
Rates and taxes	34.00	33.54
Water cess & environment protection cess	38.13	35.44
Training & recruitment expenses	28.68	24.32
Less: Receipts	<u>3.30</u>	<u>1.56</u>
	25.38	22.76
Communication expenses	43.50	43.88
Travelling expenses	196.88	182.76
Tender expenses	30.62	21.46
Less: Receipt from sale of tenders	<u>3.13</u>	<u>2.96</u>
	27.49	18.50
Payment to auditors	3.32	3.01
Advertisement and publicity	14.54	13.31
Security expenses	369.75	327.23
Entertainment expenses	14.26	13.88
Expenses for guest house	21.68	18.94
Less: Recoveries	<u>2.80</u>	<u>2.67</u>
	18.88	16.27
Education expenses	9.60	9.31
Brokerage & commission	2.65	2.79
Community development and welfare expenses	120.99	84.79
Less: Grants-in-aid	<u>0.93</u>	<u>0.39</u>
	120.06	84.40
Donation	0.15	0.14
Ash utilisation & marketing expenses	12.63	10.87
Less: Sale of ash products	<u>-</u>	<u>0.04</u>
	12.63	10.83
Directors sitting fee	0.45	0.30
Books and periodicals	2.96	2.65
Professional charges and consultancy fee	142.95	28.40
Legal expenses	31.13	27.12
EDP hire and other charges	17.70	14.53
Printing and stationery	13.65	12.36
Oil & gas exploration expenses	3.41	8.78
Hiring of vehicles	66.05	55.23
Rebate to customers	558.44	521.71
Reimbursement of L.C.charges on sales realisation	1.54	0.60
Bank charges	3.60	2.93
Net loss in foreign currency transactions & translations	17.50	5.07
Horticulture expenses	26.46	22.73
Hire charges of helicopter/aircraft	12.74	13.21
Hire charges of construction equipments	10.86	14.18

26. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Transport vehicle running expenses	8.78	8.50
Miscellaneous expenses	55.34	47.63
Stores written off	0.44	0.14
Survey & investigation expenses written off	2.31	2.37
Loss on disposal/write-off of fixed assets	73.92	59.91
	5,220.15	4,587.66
Less: Allocated to fuel cost	305.49	281.84
Transferred to development of coal mines	129.63	13.62
Transferred to deferred foreign currency fluctuation asset/liability	2.98	1.51
Transferred to NVVN for reimbursement from fly ash utilisation fund	19.41	5.67
Transferred to expenditure during construction period (net) - Note 28	375.15	318.70
	4,387.49	3,966.32
Provisions for		
Tariff adjustments	121.32	166.35
Diminution in value of long term investments in joint venture	0.02	1.04
Doubtful loans, advances and claims	1.58	0.09
Shortage in stores	1.33	1.34
Obsolescence in stores	10.34	4.66
Shortage in construction stores	0.19	0.13
Unserviceable capital works	6.63	49.89
Unfinished minimum work programme for oil and gas exploration	7.36	5.08
Shortages in fixed assets	5.44	0.27
Arbitration cases	2.15	7.95
Others	-	32.56
	156.36	269.36
Total	4,543.85	4,235.68
a) Spares consumption included in repairs and maintenance	1,091.63	1,006.61
b) Details in respect of payment to auditors:		
As auditor		
Audit fee	1.04	1.00
Tax audit fee	0.36	0.35
Limited review	0.62	0.60
In other capacity		
Other services (certification fee)	0.56	0.35
Reimbursement of expenses	0.42	0.40
Reimbursement of service tax	0.32	0.31
Total	3.32	3.01

Payment to the auditors includes ₹ 0.13 crore (previous year ₹ 0.24 crore) relating to earlier year.

- c) CERC Regulations provides that where after the truing-up, the tariff recovered is more than the tariff approved by the Commission, the generating Company shall pay to the beneficiaries the over recovered amount along-with simple interest. Accordingly, the interest payable to the beneficiaries amounting to ₹ 59.37 crore (previous year ₹ 5.72 crore) has been accounted and disclosed as 'Interest to customers'.

27. Prior period items (net)

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Revenue		
Sales	-	(0.03)
Others	<u>0.08</u>	<u>1.88</u>
	<u>0.08</u>	<u>1.85</u>
Expenditure		
Employee benefits expense	(0.37)	(5.13)
Finance costs		
Interest	-	(12.00)
Other borrowing costs	-	(7.91)
Depreciation and amortisation	2.35	(0.25)
Generation, administration and other expenses		
Repairs and maintenance	2.33	0.39
Others	<u>7.40</u>	<u>(13.06)</u>
	<u>11.71</u>	<u>(37.96)</u>
Net expenditure/(revenue)	11.63	(39.81)
Less: Transferred to expenditure during construction period (net)- Note 28	(1.24)	(10.09)
Transferred to development of coal mines	<u>0.03</u>	<u>-</u>
Total	<u>12.84</u>	<u>(29.72)</u>

28. Expenditure during construction period (net)

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
A. Employee benefits expense		
Salaries and wages	453.69	470.39
Contribution to provident and other funds	110.40	38.81
Staff welfare expenses	38.72	32.43
Total (A)	602.81	541.63
B. Finance costs		
Interest on		
Bonds	426.37	390.47
Foreign currency term loans	107.68	94.88
Rupee term loans	1,532.39	1,486.58
Foreign currency bonds/notes	284.19	222.88
Others	22.92	20.19
Other borrowing costs		
Foreign currency bonds/notes expenses	1.07	5.54
Management/arrangers fee	16.41	36.24
Insurance premium on foreign currency loans	85.39	27.39
Others	12.43	2.98
Exchange differences regarded as an adjustment to interest costs	-	(185.25)
Total (B)	2,488.85	2,101.90
C. Depreciation and amortisation	268.95	36.11
D. Generation, administration & other expenses		
Power charges	163.61	100.59
Less: Recovered from contractors & employees	1.94	1.60
	161.67	98.99
Water charges	1.59	10.76
Rent	6.19	5.27
Repairs & maintenance		
Buildings	5.41	6.81
Plant and machinery	0.49	0.74
Others	25.81	22.73
	31.71	30.28
Insurance	1.12	1.48
Rates and taxes	2.85	0.84
Communication expenses	5.76	5.56
Travelling expenses	38.02	35.33
Tender expenses	6.61	5.72
Advertisement and publicity	2.44	1.49
Security expenses	46.53	43.82
Entertainment expenses	2.49	2.30
Guest house expenses	4.44	4.13
Books and periodicals	0.87	0.91
Professional charges and consultancy fee	6.63	6.35

28. Expenditure during construction period (net)

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Legal expenses	5.80	5.15
EDP hire and other charges	1.29	1.22
Printing and stationery	1.49	1.17
Miscellaneous expenses	47.65	57.93
Total (D)	375.15	318.70
E. Less: Other income		
Hire charges for equipment	2.98	3.70
Sale of scrap	0.02	-
Interest from contractors	30.25	22.34
Interest others	2.93	0.87
Miscellaneous income	11.28	11.93
Total (E)	47.46	38.84
F. Prior period items (net)	(1.24)	(10.09)
Grand total (A+B+C+D-E+F)	3,687.06	2,949.41

* Carried to Capital work-in-progress - (Note 12)

29. Previous year figures have been regrouped /rearranged wherever considered necessary.
30. Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as other-wise stated. Certain amounts, which do not appear due to rounding off, are disclosed separately.
31. a) Some of the balances of trade/other payables and loans and advances 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 fixed assets 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.
32. Due to variation in the Gross Calorific Value (GCV) of coal supplied by coal companies and received at power stations, the Company w.e.f. October/November 2012 released payments on the basis of GCV measured at station end and the difference between the amount billed by the coal companies and the amounts admitted by the Company (“disputed billed amount”) were disclosed as contingent liability with corresponding possible reimbursements from the beneficiaries. The issue was taken up with the coal companies directly and through the Ministry of Power and Ministry of Coal, Govt. of India for resolution. This resulted in incorporation of a provision for “Third party sample collection, preparation, testing and analysis” at the loading end in place of joint sampling in the Coal Supply Agreement (CSA), 2012 and amendment to CSA, 2009 which have since been signed with subsidiaries of Coal India Ltd (CIL).

Based on the advice of Government of India, Board of Directors approved the modalities for extrapolation of the third party sample analysis results for the three month period starting October/November 2013 to the supplies during the past period from October/November 2012 till start of third party sampling. On this basis, settlement with some of the CIL subsidiaries has been reached and matter has been taken up with other CIL subsidiaries for early resolution. Following the principles approved by the Board, against the disputed billed amount of ₹ 4,102.87 crore, during the year the Company paid ₹ 1,438.69 crore and provided ₹ 1,440.39 crore. In respect of the balance disputed billed amount of ₹ 1,223.79 crore as at 31st March 2014, taking into account settlements already reached with some of the CIL subsidiaries, an amount of ₹ 1,055.14 crore (previous year ₹ 2,531.10 crore) has been estimated as contingent liability with corresponding possible reimbursements from the beneficiaries {Refer Note 52 (a)(iii)} and remaining amount of ₹168.65 crore is considered as settled. Sales corresponding to variable charges recoverable for the amounts paid/provided as above have been recognized.

33. The levy of transit fee/entry tax on supplies of fuel to some of the power stations has been paid under protest as the matters are subjudice at various courts. In case the Company gets refund/demand from fuel suppliers/tax authorities on settlement of these cases, the same will be passed on to respective beneficiaries.
34. The environmental clearance (“clearance”) granted by the Ministry of Environment and Forest, Government of India (MoEF) for one of the Company's project was challenged before the National Green Tribunal (NGT). The NGT disposed the appeal, inter alia, directing that the order of clearance be remanded to the MOEF to pass an order granting or declining clearance to the project proponent afresh in accordance with the law and the judgment of the NGT and for referring the matter to the Expert Appraisal Committee (“Committee”) for its re-scrutiny, which shall complete the process within six months from the date of NGT order. NGT also directed that the environmental clearance shall be kept in abeyance and the Company shall maintain status quo in relation to the project during the period of review by the Committee or till fresh order is passed by the MoEF, whichever is earlier. The Company filed an appeal challenging the NGT order before the Hon’ble Supreme Court of India which stayed the order of the NGT and the matter is sub-judice. Aggregate cost incurred on the project upto 31st March 2014 is ₹ **4,455.73 crore** (previous year ₹ 1,691.63 crore).

35. Disclosure as per Accounting Standard - 1 on 'Disclosure of Accounting Policies'

During the year, following changes in accounting policies have been made:

- a) Policy A “Basis of Preparation” has been amended to reflect that the financial statements have been prepared inter alia, in accordance with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs and the Companies Act, 2013 (to the extent notified and applicable).
- b) Accounting of capital expenditure on assets not owned by the company for community development is disclosed in accounting policy D.4 instead of in M.a.10 for better presentation.
- c) Consequent to the revised guidance note on 'Accounting for Oil & Gas Producing Activities' issued by ICAI becoming effective from 1st April 2013, the policy to charge off exploratory wells-in-progress which have been found dry or not planned to be developed after two years from the date of completion of drilling has been modified and henceforth, such expenditure shall be charged off as and when the wells are determined to be dry/abandoned.

- d) Policy M.a.11 has been modified to state that leasehold land and buildings relating to generation of electricity business are fully amortised over the lease period or life of the related plant whichever is lower, to cover both hydro and thermal power plants.
- e) Policy H.5 and L.5 regarding accounting of derivative contracts and recovery of cost of hedging from the beneficiaries have been added consequent upon entering into derivative transactions for hedging as per the exchange risk management policy in the current year.
- f) In Policy N.1, contribution to pension fund has been included as an employee benefit following the implementation of a contributory pension scheme in the Company in the current year.
- g) Policy S "Taxes on Income" has been added for improved disclosures.

There is no impact on the accounts due to the above changes.

36 Disclosure as per Accounting Standard - 11 on 'Effects of Changes in Foreign Exchange Rates'

The effect of foreign exchange fluctuation during the year is as under:

- i) The amount of exchange differences (net) debited to the statement of profit & loss is ₹ 14.52 crore (previous year ₹ 3.56 crore).
- ii) The amount of exchange differences (net) debited to the carrying amount of fixed assets is ₹ 1,850.39 crore (previous year ₹ 1,056.01 crore).

37. Disclosure as per Accounting Standard - 12 on 'Accounting for Government Grants'

Revenue grants recognised during the year is ₹ 0.93 crore (previous year ₹ 0.39 crore).

38. Disclosure as per Accounting Standard - 14 on 'Accounting for Amalgamation'

Ministry of Corporate Affairs (MCA) has accorded approval for the Scheme of Amalgamation of NTPC Hydro Ltd. (NHL), a wholly owned subsidiary of NTPC Ltd. engaged in the business of setting up small hydro power projects, with NTPC Ltd. effective from 18th December 2013. As per the Scheme and order of MCA, all assets and liabilities of NHL have been transferred to and vested in the Company w.e.f 1st April 2013. The Company followed Pooling of Interests Method to reflect the amalgamation. Consequent to the amalgamation, the shares of NHL held by the Company were cancelled and all assets and liabilities of NHL became the assets and liabilities of the Company. Since NHL was a wholly owned subsidiary of the Company, no issue of shares or payment towards purchase consideration was made and no goodwill or capital reserve was recognised on amalgamation.

39. Disclosure as per Accounting Standard - 15 on 'Employee Benefits'

General description of various employee benefit schemes are as under:

A. Provident Fund

Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution of ₹ 235.63 crore (previous year ₹ 210.07 crore) to the funds for the year is recognised as expense and is charged to the Statement of Profit and Loss. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary. The details of fair value of plan assets and obligations are as under:

Particulars	₹ Crore	
	31.03.2014	31.03.2013
Obligations at the end of the year	5,463.94	4,755.00
Fair value of plan assets at the end of the year	5,515.53	4,812.77

B. Gratuity & Pension

(a) The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.10 crore on superannuation, resignation, termination, disablement or on death.

(b) The Company has pension schemes at two of its stations in respect of employees taken over from erstwhile state government power utilities.

The existing schemes stated at (a) and at one of the power stations at (b) above are funded by the Company and are managed by separate trusts. The liability for gratuity and the pension schemes as above is recognised on the basis of actuarial valuation. The Company's best estimate of the contribution towards gratuity/pension for the financial year 2014-15 is ₹ 44.90 crore.

(c) During the year, a defined contribution pension scheme of the Company has been implemented effective from 1st January 2007, for its employees. The scheme is administered through a separate trust. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of Basic Pay and dearness allowance less employer's contribution towards provident fund, gratuity, PRMF or any other retirement benefits.

C. Post-Retirement Medical Facility (PRMF)

The Company has Post-Retirement Medical Facility (PRMF), under which a retired employee and his / her spouse are provided medical facilities in the Company hospitals/empanelled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company. The liability for the same is recognised on the basis of actuarial valuation.

D. Terminal Benefits

Terminal benefits include baggage allowance for settlement at home town for employees & dependents and farewell gift to the superannuating employees. Further, the Company also provides for pension in respect of employees taken over from erstwhile State Government Power Utility at another station referred at B (b) above. Liability for the same is recognised based on actuarial valuation.

E. Leave

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. Earned leave is en-cashable while in service. Half-pay leaves (HPL) are en-cashable only on separation beyond the age of 50 years up to the maximum of 240 days (HPL). However, total amount of leave that can be encashed on superannuation shall be restricted to 300 days and no commutation of half-pay leave shall be permissible. The liability for the same is recognised on the basis of actuarial valuation.

The above mentioned schemes (C, D and E) are unfunded and are recognised on the basis of actuarial valuation.

The summarised position of various defined benefits recognised in the Statement of Profit & Loss, Balance Sheet are as under:

(Figures given in { } are for previous year)

i) Expenses recognised in Statement of Profit & Loss

	₹ Crore			
	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Current service cost	69.15 {65.23}	15.47 {13.81}	53.82 {50.12}	6.06 {5.55}
Interest cost on benefit obligation	114.71 {103.11}	36.08 {29.56}	68.27 {59.17}	21.76 {18.35}
Expected return on plan assets	(100.26) {(92.84)}	- {-}	- {-}	- {-}
Net actuarial (gain)/ loss recognised in the year	(17.97) {48.14}	73.63 {51.03}	179.93 {184.16}	26.53 {30.21}
Less: Expenses transferred to capital work-in-progress	3.81 {5.94}	4.46 {3.72}	13.17 {8.24}	- {-}
Expenses recognised in the Statement of Profit & Loss	61.82 {117.70}	120.72 {90.68}	288.85 {285.21}	54.35 {54.11}
Actual return on plan assets	114.66 {102.20}	- {-}	- {-}	- {-}

ii) The amount recognised in the Balance Sheet

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 31.03.2014	1,519.91 {1,433.87}	559.65 {451.06}	931.87 {853.42}	312.40 {271.85}
Fair value of plan assets as at 31.03.2014	1,383.31 {1,256.05}	- {-}	- {-}	- {-}
Net liability recognised in the Balance Sheet	136.60 {177.82}	559.65 {451.06}	931.87 {853.42}	312.40 {271.85}

iii) Changes in the present value of the defined benefit obligations:

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 01.04.2013	1,433.87 {1,288.86}	451.06 {369.49}	853.42 {739.57}	271.85 {229.34}
Interest cost	114.71 {103.11}	36.08 {29.56}	68.27 {59.17}	21.76 {18.35}
Current service cost	69.15 {65.23}	15.47 {13.81}	53.82 {50.12}	6.06 {5.55}
Benefits paid	(94.23) {(80.84)}	(16.59) {(12.83)}	-223.57 {(179.60)}	(13.80) {(11.60)}
Net actuarial (gain)/ loss on obligation	(3.59) {57.51}	73.63 {51.03}	179.93 {184.16}	26.53 {30.21}
Present value of the defined benefit obligation as at 31.03.2014	1,519.91 {1,433.87}	559.65 {451.06}	931.87 {853.42}	312.40 {271.85}

iv) Changes in the fair value of plan assets:

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Fair value of plan assets as at 01.04.2013	1,256.05 {1,162.97}	- {-}	- {-}	- {-}
Expected return on plan assets	100.26 {92.84}	- {-}	- {-}	- {-}
Contributions by employer	101.29 {67.22}	- {-}	- {-}	- {-}
Benefit paid	(88.67) {(76.35)}	- {-}	- {-}	- {-}
Net actuarial gain/(loss)	14.38 {9.37}	- {-}	- {-}	- {-}
Fair value of plan assets as at 31.03.2014	1,383.31 {1,256.05}	- {-}	- {-}	- {-}

v) Other disclosures:

₹ Crore

Gratuity & pension	31.03.2014	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Present value of obligation as at the end of	1,519.91	1,433.87	1,288.86	1,185.28	1,065.02
Fair value of plan assets as at the end of	1,383.31	1,256.05	1,162.97	1,031.68	987.14
Surplus/(Deficit)	(136.60)	(177.82)	(125.89)	(153.60)	(77.88)
Experience adjustment on plan liabilities (loss)/gain	3.12	(50.04)	(18.87)	(59.49)	10.13
Experience adjustment on plan assets (loss)/gain	14.38	9.37	12.29	5.10	25.12

PRMF	31.03.2014	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Present value of obligation as at the end of	559.65	451.06	369.49	311.67	244.39
Experience adjustment on plan liabilities (loss)/gain	(73.63)	(19.53)	(30.60)	(33.27)	(12.65)

Leave	31.03.2014	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Present value of obligation as at the end of	931.87	853.42	739.57	651.90	585.07
Experience adjustment on plan liabilities (loss)/gain	(179.57)	(180.46)	(89.90)	(87.83)	(37.25)

Terminal Benefits	31.03.2014	31.03.2013	31.03.2012	31.03.2011	31.03.2010
Present value of obligation as at the end of	312.40	271.85	229.34	192.29	167.47
Experience adjustment on plan liabilities (loss)/gain	(26.39)	(25.49)	(24.38)	(23.95)	(36.68)

vi) The effect of one percentage point increase/decrease in the medical cost of PRMF will be as under:

	₹ Crore	
	Increase by	Decrease by
Service and interest cost	12.10	(5.65)
Present value of obligation	86.51	(71.31)

F. Details of the Plan Assets

The details of the plan assets at cost are:

	₹ Crore	
	31.03.2014	31.03.2013
i) State government securities	399.15	337.46
ii) Central government securities	322.97	331.27
iii) Corporate bonds/debentures	510.21	465.84
iv) Money market instruments	5.62	7.50
v) Investment with insurance companies	95.88	76.34
vi) Fixed deposits with banks	7.09	5.16
Total	1,340.92	1,223.57

The amounts included in the value of plan assets in respect of the reporting enterprise's own financial instruments is ₹ 25.00 crore (previous year ₹ 25.00 crore).

G. Actual return on plan assets ₹ 114.66 crore (previous year ₹ 102.20 crore).

H. Other Employee Benefits

Provision for long service award and family economic rehabilitation scheme amounting to ₹ 3.45 crore (previous year ₹ 3.36 crore) for the year have been made on the basis of actuarial valuation at the year end and debited to the statement of profit & loss.

I. Actuarial Assumptions

Principal assumptions used for actuarial valuation for the year ended are:

	31.03.2014	31.03.2013
i) Method used	Projected Unit Credit Method	
ii) Discount rate	8.50%	8.00%
iii) Expected rate of return on assets:		
- Gratuity	8.00%	8.00%
- Pension	7.00%	7.00%
iv) Annual increase in costs	6.50%	6.00%
v) Future salary increase	6.50%	6.00%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Further, the expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

40. Disclosure as per Accounting Standard - 16 on 'Borrowing Costs'

Borrowing costs capitalised during the year are ₹ 2,543.96 crore (previous year ₹ 2,148.14 crore).

41. **Disclosure as per Accounting Standard - 17 on 'Segment Reporting'**

Segment information:

a) Business segments

The Company's principal business is generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy, project management and supervision, oil and gas exploration and coal mining.

b) Segment revenue and expense

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

c) Segment assets and liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Construction work-in-progress, construction stores and advances are included in unallocated corporate and other assets. Segment liabilities include operating liabilities and provisions.

₹ Crore

	Business Segments				Total	
	Generation		Others		Current year	Previous year
	Current year	Previous year	Current year	Previous year		
Segment Revenue						
Sale of energy/consultancy, project management and supervision fee *	71,489.97	64,252.68	112.66	126.81	71,602.63	64,379.49
Other income	750.29	1,663.77	2.41	1.65	752.70	1,665.42
Exceptional items	-	1,684.11	-	-	-	1,684.11
Unallocated corporate interest and other income					2,352.49	2,810.90
Total	72,240.26	67,600.56	115.07	128.46	74,707.82	70,539.92
Segment result #						
	14,974.80	16,645.05	16.23	16.14	14,991.03	16,661.19
Unallocated corporate interest and other income					2,352.49	2,810.90
Unallocated corporate expenses, interest and finance charges					3,438.87	2,893.46
Profit before tax					13,904.65	16,578.63
Income tax (net)					2,929.91	3,959.24
Profit after tax					10,974.74	12,619.39
Other information						
Segment assets	95,868.58	81,719.33	1,315.19	340.02	97,183.77	82,059.35
Unallocated corporate and other assets					82,370.41	79,057.11
Total assets	95,868.58	81,719.33	1,315.19	340.02	1,79,554.18	1,61,116.46
Segment liabilities	13,840.48	10,715.15	412.65	295.06	14,253.13	11,010.21
Unallocated corporate and other liabilities					79,485.73	69,718.74
Total liabilities	13,840.48	10,715.15	412.65	295.06	93,738.86	80,728.95
Depreciation (including prior period)	4,109.89	3,358.94	0.24	0.24	4,110.13	3,359.18
Non-cash expenses other than depreciation	137.62	169.63	7.37	5.08	144.99	174.71
Capital expenditure	22,292.39	18,629.53	773.50	596.89	23,065.89	19,226.42

* Includes ₹ 1,816.83 crore (previous year ₹ 1,487.94 crore) for sales related to earlier years.

Generation segment result would have been ₹ 13,157.97 crore (previous year ₹ 15,157.11 crore) without including the sales related to earlier years.

d) The operations of the Company are mainly carried out within the country and therefore, geographical segments are inapplicable.

42. **Disclosure as per Accounting Standard - 18 on 'Related Party Disclosures'**

a) Related parties:

i) Joint ventures:

Utility Powertech Ltd., NTPC-Alstom Power Services Private Ltd., BF-NTPC Energy Systems Ltd., National Power Exchange Ltd., Pan-Asian Renewables Private Ltd., Trincomalee Power Company Ltd. and Bangladesh - India Friendship Power Company Private Ltd.

ii) Key Management Personnel:

Shri Arup Roy Choudhury	Chairman and Managing Director
Shri I.J. Kapoor	Director (Commercial)
Shri N.N.Misra	Director (Operations)
Shri A.K.Jha	Director (Technical)
Shri U.P.Pani	Director (Human Resources)
Shri S.C.Pandey	Director (Projects) ¹
Shri K.Biswal	Director (Finance) ²
Shri A.K. Singhal	Director (Finance) ³
Shri B.P.Singh	Director (Projects) ⁴

1. W.e.f. 1st October 2013

2. W.e.f. 9th December 2013

3. Up to 8th October 2013

4. Superannuated on 30th September 2013

b) Transactions with the related parties at a (i) above are as follows:

Particulars	₹ Crore	
	Current year	Previous year
i) Transactions during the year		
• Contracts for works/services for services received by the Company		
- Utility Powertech Ltd.	439.74	393.14
- NTPC-Alstom Power Services Private Ltd.	0.94	6.19
- National Power Exchange Ltd.	0.36	0.84
• Deputation of Employees:		
- Utility Powertech Ltd.	0.25	0.51
- NTPC-Alstom Power Services Private Ltd.	0.85	1.23
- Trincomalee Power Company Ltd.	0.96	0.82
- Pan-Asian Renewables Private Ltd.	0.33	-
- Bangladesh-India Friendship Power Company Private Ltd.	1.34	0.13
ii) Dividend Received:		
- Utility Powertech Ltd.	5.50	4.00
- NTPC-Alstom Power Services Private Ltd.	0.30	0.36
iii) Amount recoverable for contracts for works/services received:		
- Utility Powertech Ltd.	0.17	0.22
- NTPC-Alstom Power Services Private Ltd.	0.04	0.04
- National Power Exchange Ltd.	0.14	1.06
iv) Amount payable for contracts for works/services received:		
- Utility Powertech Ltd.	69.49	64.27
- NTPC-Alstom Power Services Private Ltd.	6.52	7.86
v) Amount recoverable on account of deputation of employees:		
- Utility Powertech Ltd.	0.10	0.66
- NTPC-Alstom Power Services Private Ltd.	0.66	1.32
- Trincomalee Power Company Ltd.	1.12	0.97
- Bangladesh-India Friendship Power Company Private Ltd.	1.34	0.13
vi) Equity contributions made:		
- Pan-Asian Renewables Private Ltd.	1.00	-
- Bangladesh -India Friendship Power Company Private Ltd.	6.12	-

The Company has received bank guarantees from Utility Powertech Ltd. for an amount of ₹ 6.36 crore (previous year ₹ 6.35 crore).

c) Remuneration to key management personnel for the year is ₹ 4.09 crore (previous year ₹ 3.59 crore) and amount of dues outstanding to the Company as at 31st March 2014 are ₹ 0.03 crore (previous year ₹ 0.07 crore).

₹ Crore	
Managerial remuneration to Key management personnel	31.03.2014
	31.03.2013

Shri Arup Roy Choudhury	0.52	0.54
Shri I.J. Kapoor	0.59	0.45
Shri N.N.Misra	0.52	0.44
Shri A.K.Jha	0.56	0.26
Shri U.P.Pani	0.37	0.02
Shri S.C.Pandey	0.21	-
Shri K.Biswal	0.10	-
Shri.B.P.Singh	0.58	0.52
Shri A.K. Singhal	0.64	0.55
Shri D.K. Jain	-	0.38
Shri S.P.Singh	-	0.43
Total	4.09	3.59

43. **Disclosure as per Accounting Standard - 19 on 'Leases'**

a) **Finance leases**

(i) The Company has taken on lease certain vehicles and has the option to purchase the vehicles as per terms of the lease agreements, details of which are as under:

	₹ Crore	
	31.03.2014	31.3.2013
a) Obligations towards minimum lease payments		
• Not later than one year	0.05	0.24
• Later than one year and not later than five years	-	0.05
• Later than five years	-	-
Total	0.05	0.29
b) Present value of (a) above		
• Not later than one year	0.05	0.22
• Later than one year and not later than five years	-	0.05
• Later than five years	-	-
Total	0.05	0.27
c) Finance charges (* ₹16,979/-)	*	0.02

(ii) The Company has entered into an agreement for coal movement through inland waterways transport. As per the agreement, the operator shall design, build, operate and maintain the unloading infrastructure and material handling system ("facility"), and transfer the same to the Company after expiry of 7 years at ₹ 1/-. The facility shall be constructed in two phases of which Phase I has been completed and is under operation. Fair value of the entire facility is ₹ 90 crore and the assets and liability in respect of Phase-I have been recognised at ₹ 60 crore based on technical assessment. The minimum lease payments shall start on completion of Phase-II of the facility. Amounts payable for the coal transported through Phase-I of the facility are disclosed as contingent rent.

	₹ Crore	
	31.03.2014	31.3.2013
a) Obligations towards minimum lease payments		
• Not later than one year	12.02	-
• Later than one year and not later than five years	82.41	-
• Later than five years	49.79	-
Total	144.22	-
b) Present value of (a) above		
• Not later than one year	5.27	-
• Later than one year and not later than five years	45.81	-
• Later than five years	38.92	-
Total	90.00	-
c) Finance charges	54.22	-
d) Contingent rent for the year	2.01	-

b) **Operating leases**

The Company's other significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps for a period of one to two years. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note 24 - Employee benefits expense includes ₹ 65.85 crore (previous year ₹ 76.38 crore) towards lease payments (net of recoveries) in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps are included under 'Rent' in Note 26 - 'Generation, administration and other expenses'. Further, the Company has taken a helicopter on wet lease basis for a period of eleven years and the amount of lease charges is included in 'Hire charges of helicopter/aircraft' (Note 26).

44 **Disclosure as per Accounting Standard - 20 on 'Earnings Per Share'**

The elements considered for calculation of earning per share (Basic and Diluted) are as under:

	Current year	Previous year
Net profit after tax used as numerator - ₹ crore	10,974.74	12,619.39
Weighted average number of equity shares used as denominator	824,54,64,400	824,54,64,400
Earning per share (Basic and Diluted) - ₹	13.31	15.30
Nominal value per share - ₹	10/-	10/-

45. **Disclosure as per Accounting Standard - 26 on 'Intangible Assets'**

Research expenditure charged to revenue during the year is ₹ 98.52 crore (previous year ₹ 91.85 crore).

46. **Disclosure as per Accounting Standard - 27 on 'Financial Reporting of Interest in Joint Ventures'**

a) **Joint Venture Entities:**

Company	Proportion of ownership interest as at (excluding share application money)	
	31.03.2014 (%)	31.03.2013 (%)
A. Joint Ventures incorporated in India		
1. Utility Powertech Ltd.	50.00	50.00
2. NTPC - Alstom Power Services Private Ltd.	50.00	50.00
3. NTPC-SAIL Power Company Private Ltd.	50.00	50.00
4. NTPC -Tamilnadu Energy Company Ltd.	50.00	50.00
5. Ratnagiri Gas and Power Private Ltd.*	32.86	33.41
6. Aravali Power Company Private Ltd.	50.00	50.00
7. NTPC - SCCL Global Ventures Private Ltd.*	50.00	50.00
8. Meja Urja Nigam Private Ltd.	50.00	50.00
9. NTPC - BHEL Power Projects Private Ltd.*	50.00	50.00
10. BF - NTPC Energy Systems Ltd.*	49.00	49.00
11. Nabinagar Power Generating Company Private Ltd.	50.00	50.00
12. National Power Exchange Ltd.*	16.67	16.67
13. International Coal Ventures Private Ltd.*	14.28	14.28
14. National High Power Test Laboratory Private Ltd.*	20.00	20.00
15. Transformers & Electricals Kerala Ltd.*	44.60	44.60
16. Energy Efficiency Services Ltd.*	25.00	25.00
17. CIL NTPC Urja Private Ltd.*	50.00	50.00
18. Anushakti Vidyut Nigam Ltd.	49.00	49.00
19. Pan-Asian Renewables Private Ltd.*	50.00	50.00
B. Joint Ventures incorporated outside India		
1. Trincomalee Power Company Ltd.* (incorporated in Srilanka)	50.00	50.00
2. Bangladesh -India Friendship Power Company Private Ltd.* (incorporated in Bangladesh)	50.00	50.00

* The accounts are unaudited.

The Company's share of the assets, liabilities, contingent liabilities and capital commitment as at 31st March 2014 and income and expenses for the year in respect of joint venture entities based on audited/unaudited accounts are given below:

	31.03.2014	31.03.2013
A. Assets		

₹ Crore

• Non current assets	15,076.16	14,424.69
• Current assets	2,637.07	1,961.71
Total	17,713.23	16,386.40
B. Liabilities		
• Non current liabilities	9,446.27	8,879.94
• Current liabilities	2,425.04	2,218.80
Total	11,871.31	11,098.74
C. Contingent liabilities	247.21	117.90
D. Capital commitments	9,903.06	6,800.18
	Current year	Previous year
E. Income	4,512.04	3,638.71
F. Expenses	4,041.50	3,477.21

b) **Joint venture operations:**

- i) The Company along-with some public sector undertakings has entered into Production Sharing Contracts (PSCs) with GOI for three exploration blocks namely KG-OSN-2009/1, KG-OSN-2009/4 and AN-DWN-2009/13 under VIII round of New Exploration Licensing Policy (NELP VIII) with 10% participating interest (PI) in each of the blocks.

Based on the un-audited statement of the accounts for the above blocks forwarded by M/s Oil & Natural Gas Corporation Ltd.(ONGC), the operator, the Company's share in respect of assets and liabilities as at 31st March 2014 and expenditure for the year are given below:

Item	₹ Crore	
	2013-14 (Un-audited)	2012-13 (Un-audited)
Expenses	2.94	2.28
Assets	1.89	0.06
Liabilities	2.96	1.43
Capital commitments (Unfinished MWP)	65.76	91.49

The exploration activities in block KG-OSN-2009/4 were suspended w.e.f. 11.01.2012 due to non-clearance by the Ministry of Defence, GOI. Subsequently, DGH vide letter dated 29th April 2013 has informed ONGC that the block is cleared conditionally wherein block area is segregated between No Go zone, High-risk zone and Permitted zone. As the permitted area is only 38% of the total block area the consortium has submitted proposal to DGH for downward revision of MWP of initial exploration period.

In case of AN-DWN-2009/13, Gujarat State Petroleum Corporation (GSPC) has submitted notice for withdrawal from the block subsequent to completion of MWP and ONGC has decided to acquire 10% PI of GSPC.

- ii) Exploration activities in the block AA-ONN-2003/2 were abandoned in January 2011 due to unforeseen geological condition: & withdrawal of the operator. Attempts to reconstitute the consortium to accomplish the residual exploratory activities did not yield result. In the meanwhile, Ministry of Petroleum & Natural Gas demanded in January 2011 the cost of unfinished minimum work programme from the consortium with NTPC's share being USD 7.516 million. During the year provision in this respect has been updated to ₹ 53.64 crore from ₹ 46.27 crore along with interest in the previous year. The Company has sought waiver of the claim citing force majeure conditions at site leading to discontinuation of exploratory activities.

The Company has accounted for expenditure of ₹ 0.01 crore for the year 2013-14 towards the establishment expenses of M/s Geopetrol International, the operator to complete the winding up activities of the Block. The Company's share in the assets and liabilities as at 31st March 2014 and expenditure for the year is as under:

₹ Crore

Item	2013-14 (Un-audited)	2012-13 (Un-audited)
Expenses	0.01	0.22
Assets	14.47	14.64
Liabilities	2.32	2.32
Contingent liabilities	50.71	41.42

47. **Disclosure as per Accounting Standard - 28 on 'Impairment of Assets'**

As required by Accounting Standard (AS) 28 'Impairment of Assets' notified under the Companies (Accounting Standards) Rules, 2006, an assessment of impairment of assets was carried out and based on such assessment, there has been no impairment loss during the year.

48. **Disclosure as per Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets'-(Refer Note-11)**

₹ Crore

Particulars	Balance as at 01.04.2013	Additions during the year	Payments during the year	Reversal / adjustments during the year	Balance as at 31.03.2014
Provision for obligations incidental to land acquisition	2,053.94	1,706.32	392.88	544.96	2,822.42
Provision for tariff adjustment	1,316.94	121.32	-	162.56	1,275.70
Provision for shortage in fixed assets pending investigation	1.09	5.45	-	0.37	6.17
Others	279.58	191.84	-	39.26	432.16
Total	3,651.55	2,024.93	392.88	747.15	4,536.45

49. **Foreign currency exposure****a) Hedged by a derivative instrument**

The derivative contracts outstanding as at 31st March 2014 are as under:

Particulars	Currency	Amount in Foreign Currency (Crore)		Amount (₹ Crore)	
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
Currency Interest Rate Swap	JPY	19.23	-	11.38	-

There is no MTM loss on the above contract as at 31st March 2014.

The derivative contracts entered into by the Company are for hedging currency and/or interest rate risk on foreign currency loans.

b) Not hedged by a derivative instrument or otherwise

Particulars		Amount in Foreign Currency (Crore)		Amount (₹ Crore)	
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
Borrowings, including interest accrued but not due thereon.	USD	260.54	252.41	15,791.13	13,859.96
	JPY	4,560.37	4,904.08	2,697.46	2,872.81
	EURO	13.67	12.22	1,143.00	860.17
Trade payables/deposits and retention monies	USD	24.05	20.55	1,457.67	1,128.52
	EURO	8.88	7.60	743.05	535.15
	Others	91.33	35.76	74.18	23.98
Trade receivables and Bank balances	USD	0.02	0.01	1.33	0.78
	Others	0.84	0.50	0.54	0.30
Unexecuted amount of contracts remaining to be executed	USD	116.94	96.13	7,087.73	5,278.73
	EURO	62.72	65.79	5,245.90	4,632.92
	Others	1,011.68	899.21	732.42	612.84

50. **Information in respect of micro and small enterprises as at 31st March 2014 as required by Micro, Small and Medium Enterprises Development Act, 2006**

₹ Crore

Particulars	Amount
a) Amount remaining unpaid to any supplier:	
Principal amount	20.29
Interest due thereon	0.04
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.	0.01
d) Amount of interest accrued and remaining unpaid	0.01
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	-

51. **Disclosure as required by Clause 32 of Listing Agreements:**

A. Loans and Advances in the nature of Loans:

1. To Subsidiary Companies

₹ Crore

Name of the company	Outstanding balance as at		Maximum amount outstanding during	
	31.03.2014	31.03.2013	2013-14	2012-13
Kanti Bijlee Utpadan Nigam Ltd.	8.00	12.57	12.57	17.14
NTPC Hydro Ltd. (Merged with NTPC w.e.f.01.04.2013)	-	32.27	32.27	32.27
Total	8.00	44.84	44.84	49.41

2. To Firms/companies in which directors are interested : Nil

3. Where there is no repayment schedule or repayment beyond seven year or no interest or interest as per Section 372A of the Companies Act, 1956 : ₹ 8.00 crore (Repayment schedule is beyond seven years)

B. Investment by the loanee (as detailed above) in the shares of NTPC : Nil

52. **Contingent Liabilities:**

a) **Claims against the company not acknowledged as debts in respect of:**

(i) **Capital Works**

Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the Company for ₹ 4,134.85 crore (previous year ₹ 3,966.11 crore) seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the Company as being not admissible in terms of the provisions of the respective contracts.

The Company is pursuing various options under the dispute resolution mechanism available in the contracts for settlement of these claims. It is not practicable to make a realistic estimate of the outflow of resources if any, for settlement of such claims pending resolution.

(ii) **Land compensation cases**

In respect of land acquired for the projects, the erstwhile land owners have claimed higher compensation before various authorities/courts which are yet to be settled. Against such cases, contingent liability of ₹ 393.40 crore (previous year ₹ 747.54 crore) has been estimated.

(iii) **Fuel Suppliers**

Pending resolution of the issues with coal companies as disclosed in Note 32, the difference between the amount billed by the coal companies and the payment released by the company amounts to ₹ 1,055.14 crore (previous year ₹ 2,531.10 crore).

Further, an amount of ₹ 647.33 crore (previous year ₹ 368.67 crore) towards surface transportation charges, customs duty on service margin on imported coal etc. has been disputed by the Company.

(iv) Others

In respect of claims made by various State/Central Government departments/Authorities towards building permission fee, penalty on diversion of agricultural land to non-agricultural use, nala tax, water royalty etc. and by others, contingent liability of **₹1,088.23 crore** (previous year ₹ 862.81 crore) has been estimated.

(v) Possible Reimbursement

The contingent liabilities referred to in (i) above, include an amount of **₹ 994.83 crore** (previous year ₹ 961.24 crore) relating to the hydro power project stated in Note 15 (b) - Other non current assets, for which Company envisages possible reimbursement from GOI in full. In respect of balance claims included in (i) and in respect of the claims mentioned at (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 Regulations subject to prudence check by the CERC. In case of (iii), the estimated possible reimbursement is by way of recovery through tariff as per Regulations, 2009 is **₹ 1,694.00 crore** (previous year ₹ 2,792.06 crore).

b) Disputed Income Tax/Sales Tax/Excise Matters

Disputed Income Tax/Sales Tax/Excise matters pending before various Appellate Authorities amount to **₹ 1,907.49 crore** (previous year ₹ 1,547.61 crore). Many of these matters were disposed off in favour of the Company but are disputed before higher authorities by the concerned departments. In such cases, the company estimate possible reimbursement of **₹ 390.37 crore** (previous year ₹ 365.19 crore).

c) Others

Other contingent liabilities amount to **₹ 363.49 crore** (previous year ₹ 251.26 crore).

Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

53. Capital and other commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2014 is **₹ 63,534.19 crore** (previous year ₹ 48,905.56 crore).

b) In respect of investments of **₹ 1,347.32 crore** (previous year ₹ 892.26 crore) in subsidiary Companies, the Company has restrictions for their disposal as at 31st March 2014 as under:

Name of the Subsidiary	Period of restrictions for disposal of investments as per related agreements	Amount of investment (₹ crore)
Bhartiya Rail Bijlee Company Ltd.	5 years from the date of commercial operation.	834.81
Kanti Bijlee Utpadan Nigam Ltd.	5 years from the date of commercial operation. Further, as per loan agreement, minimum equity of 51% shall be maintained at all times untill final settlement of loan i.e., 4 years moratorium period and subsequently 11 years for repayment.	512.51
Total		1,347.32

c) In respect of investments of **₹ 2,835.18 crore** (previous year ₹ 3,850.15 crore) in the joint venture entities, the Company has restrictions for their disposal as at 31st March 2014 as under:

Name of the Joint Venture Company	Period of restrictions for disposal of investments as per related agreements	Amount of investment (₹ crore)
Pan-Asian Renewables Private Ltd.	2 years from the date of commercial operation of the project having minimum capacity of 100 MW of renewable energy project or 5 years from the date of incorporation (i.e.14.10.2011) whichever is earlier.	1.50
NTPC-SAIL Power Company Private Ltd.	3 years from the date of allotment (last allotment made on 30.09.2012)	490.25
Transformers and Electricals Kerala Ltd.	3 years from the date of acquisition (i.e.19.06.2009) or upgradation capacity enhancement scheme whichever is later	31.34
NTPC BHEL Power Projects Private Ltd.	3 years from the date of completion of first EPC contract of single order value of not less than ₹500 crore or till further such time as mutually agreed.	50.00

National High Power Test Laboratory Private Ltd.	5 years from the date of incorporation (i.e. 22.05.2009) or completion of project whichever is later.	14.87
Energy Efficiency Services Ltd.	5 years from the date of incorporation (i.e. 10.12.2009).	22.50
NTPC-SCCL Global Ventures Private Ltd.	5 years from the date of incorporation (i.e. 31.07.2007) or commercial operation whichever is later.	0.05
National Power Exchange Ltd.	5 years from the date of commencement of business i.e Trading Operation or company issues shares to public at large (IPO) whichever is earlier.	2.19
CIL NTPC Urja Private Ltd.	5 years from the date of incorporation (i.e. 27.04.2010) or commercial operation whichever is later.	0.08
NTPC-Tamil Nadu Energy Company Ltd.	5 years from the date of incorporation (i.e. 23.05.2003) or commercial operation whichever is later.	1,325.60
International Coal Ventures Private Ltd.	5 years from the date of incorporation (i.e. 20.05.2009) or till such time an undertaking for non-disposal of such share is given to FI/Banks for their assistance to the company.	1.40
Trincomalee Power Company Ltd.	12 years from the initial operation date.	6.72
Bangladesh-India Friendship Power Company Pvt.Ltd.	15 years from the date of commercial operation date.	6.12
Meja Urja Nigam Private Ltd.	5 years from the date of incorporation (i.e. 02.04.2008) or commercial operation whichever is later. Further, NTPC Shall hold atleast 50% of equity and voting rights untill final settlement of loan i.e., 5 years moratorium period and subsequently 10 years for repayment.	412.43
Nabinagar Power Generating Company Private Ltd.	5 years from the date of incorporation(09.09.2008) or commercial operation whichever is later. Further, NTPC shall not transfer / assign or pledge shares of of the JV untill final settlement of loan i.e. 5 years moratorium and subsequently 15 years for repayment.	470.13
Total		2,835.18

- d) The Company has commitments of ₹ **3,770.44 crore** (previous year ₹ 4,041.86 crore) towards further investment in the joint venture entities as at 31st March 2014.
- e) The Company has commitments of ₹ **607.09 crore** (previous year ₹ 1,393.67 crore) towards further investment in the subsidiary companies as at 31st March 2014.
- f) Company's commitment towards the minimum work programme in respect of oil exploration activity of Cambay Block (100% owned by the company) is ₹ **198.21 crore (USD 32.98 million)** (previous year ₹ 183.45 crore, USD 33.73 million).
- g) Company's commitment towards the minimum work programme in respect of oil exploration activities of joint venture operations has been disclosed in Note 46 b).
- h) Company's commitment in respect lease agreements has been disclosed in Note 43.

54. **Other disclosures as per Schedule VI of the Companies Act, 1956**

Particulars	₹ crore			
	Current year		Previous year	
a) Value of imports calculated on CIF basis:				
Capital goods	2,472.14		1,009.05	
Spare parts	115.46		124.44	
b) Expenditure in foreign currency:				
Professional and consultancy fee	13.83		4.16	
Interest	775.72		625.38	
Others	66.22		5.52	
c) Value of components, stores and spare parts consumed (including fuel):				
	Current year		Previous year	
	%age	Amount	%age	Amount
Imported	14.73	6,918.59	10.86	4,570.55
Indigenous	85.27	40,050.32	89.14	37,500.66
	Current year		Previous year	
d) Earnings in foreign exchange:				
Professional & consultancy fee	3.08		2.15	
Others	0.05		0.10	

NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR 2012-13

1. Share capital

	31.03.2013	31.03.2012
As at		₹ Crore
Equity share capital		
Authorised		
10,00,00,00,000 shares of par value ₹10/- each (previous year 10,00,00,00,000 shares of par value ₹10/- each)	<u>10,000.00</u>	<u>10,000.00</u>
Issued, subscribed and fully paid up		
8,24,54,64,400 shares of par value ₹10/- each (previous year 8,24,54,64,400 shares of par value ₹10/- each)	<u>8,245.46</u>	<u>8,245.46</u>

- a) During the year, the Company has not issued/bought back any shares
- b) During the year, Government of India has divested 9.50% of the paid up equity capital of the Company by way of offer for sale through stock exchange mechanism as provided by SEBI circular CIR/MRD/DP/18/2012 dated 18th July 2012 and circular no. CIR/MRD/DP/04/2013 dated 25th January 2013.
- c) The Company has only one class of equity shares having a par value ₹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.
- d) During the year ended 31st March 2013, the amount of per share dividend recognised as distribution to equity share holders was ₹ **4.50** (previous year ₹ 4.00) and special dividend of ₹ **1.25**.
- e) **Details of shareholders holding more than 5 % shares in the Company:**

Particulars	31.03.2013		31.03.2012	
	No. of shares	%age holding	No. of shares	%age holding
- President of India	6184098300	75.00	6967361180	84.50
- Life Insurance Corporation of India	631294191	7.66	487167008	5.91

2. Reserves and surplus

₹ Crore

As at	31.03.2013	31.03.2012
Capital reserve		
As per last financial statements	153.62	151.88
Add : Transfer from surplus	0.97	0.44
Add : Grants received during the year	-	1.33
Less: Adjustments during the year	0.02	0.03
	154.57	153.62
Securities premium account	2,228.11	2,228.11
Bonds redemption reserve		
As per last financial statements	2,389.04	2,231.66
Add : Transfer from surplus	492.79	482.38
Less: Transfer to surplus	346.50	325.00
	2,535.33	2,389.04
General reserve		
As per last financial statements	60,202.80	55,002.80
Add : Transfer from surplus	6,500.00	5,200.00
	66,702.80	60,202.80
Surplus		
As per last financial statements	72.14	32.34
Add: Profit for the year as per Statement of Profit and Loss	12,619.39	9,223.73
Write back from bond redemption reserve	346.50	325.00
Less: Transfer to bond redemption reserve	492.79	482.38
Transfer to capital reserve	0.97	0.44
Transfer to general reserve	6,500.00	5,200.00
Dividend paid	3,092.07	2,885.92
Tax on dividend paid	501.61	465.09
Proposed dividend	1,649.09	412.27
Tax on proposed dividend	280.26	62.83
Net surplus	521.24	72.14
Total	72,142.05	65,045.71

During the year, the Company has paid interim dividend @ ₹ 3.75 (previous year ₹ 3.50) per equity share of par value ₹ 10/- each for the year 2012-13. Further, the Company has proposed final dividend of ₹ 2.00 (including special dividend of ₹ 1.25) (previous year ₹ 0.50) per equity share of par value ₹ 10/- each for the year 2012-13. Thus, the total dividend (including interim dividend) for the financial year 2012-13 is ₹ 4.50 (previous year ₹ 4.00) per equity share of par value ₹ 10/-each and special dividend is ₹ 1.25 per equity share of par value ₹ 10/-each.

3. Deferred revenue

	₹ Crore	
As at	31.03.2013	31.03.2012
On account of advance against depreciation	708.60	718.47
On account of income from foreign currency fluctuation	535.45	711.59
Total	<u>1,244.05</u>	<u>1,430.06</u>

- a) Advance against depreciation (AAD) was an element of tariff provided under the Tariff Regulations for 2001-04 and 2004-09 to facilitate debt servicing by the generators since it was considered that depreciation recovered in the tariff considering a useful life of 25 years is not adequate for debt servicing. Though this amount is not repayable to the beneficiaries, keeping in view the matching principle, and in line with the opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI), this was treated as deferred revenue to the extent depreciation chargeable in the accounts is considered to be higher than the depreciation recoverable in tariff in future years. Since AAD is in the nature of deferred revenue and does not constitute a liability, it has been disclosed in this note separately from shareholder's funds and liabilities.
- b) In line with significant accounting policy no. L.2, an amount of ₹ 9.87 crore (previous year ₹ 34.39 crore) has been recognized during the year from the AAD and included in energy sales (Note 22).
- c) 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 asset by corresponding credit to deferred income from foreign currency fluctuation in respect of the FERV on foreign currency loans or interest thereon adjusted in the cost of fixed assets, which is recoverable from the customers in future years as provided in accounting policy no. L.3. This amount will be recognized as revenue corresponding to the depreciation charge in future years. The amount does not constitute a liability to be discharged in future periods and hence, it has been disclosed separately from shareholder's funds and liabilities.

4. Long-term borrowings

₹ Crore

As at	31.03.2013	31.03.2012
Bonds		
Secured		
9.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 04 th May 2023 and ending on 04 th May 2027 (Forty fourth issue - private placement) ^{VIII}	500.00	-
8.48% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 1 st May 2023 (Seventeenth issue - private placement) ^I	50.00	50.00
9.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 25 th January 2023 and ending on 25 th January 2027 (Forty second issue - private placement) ^{III}	500.00	500.00
8.84% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th October 2022 (Forty seventh issue - private placement) ^{VIII}	390.00	-
8.93% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 19 th January 2021 (Thirty seventh issue - private placement) ^{III}	300.00	300.00
8.73 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 31 st March 2020 (Thirty third issue-private placement) ^{III}	195.00	195.00
8.78 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 9 th March 2020 (Thirty first issue-private placement) ^{III}	500.00	500.00
11.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in five equal annual installments commencing from 6 th Nov 2019 and ending on 6 th Nov 2023 (Twenty seventh issue - private placement) ^{III}	350.00	350.00
7.89% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 5 th May 2019 (Thirtieth issue - private placement) ^{III}	700.00	700.00
8.65% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th February 2019 (Twenty ninth issue - private placement) ^{III}	550.00	550.00
7.50% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 12 th January 2019 (Nineteenth issue - private placement) ^{II}	50.00	50.00
11% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 21 st November 2018 (Twenty eighth issue - private placement) ^{III}	1,000.00	1,000.00
9.3473% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 20 th July 2018 and ending on 20 th July 2032 (Forty sixth issue - private placement) ^{VIII}	75.00	-

4. Long-term borrowings

	₹ Crore	
As at	31.03.2013	31.03.2012
9.4376% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 16 th May 2018 and ending on 16 th May 2032 (Forty fifth issue - private placement) ^{VIII}	75.00	-
8.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 10 th April 2018 (Sixteenth issue - private placement) ^I	100.00	100.00
9.2573% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 2 nd March 2018 and ending on 2 nd March 2032 (Forty third issue - private placement) ^{III}	75.00	75.00
9.6713 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 23 rd Decemeber 2017 and ending on 23 rd December 2031 (Forty first issue - private placement) ^{III} .	75.00	75.00
9.558 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 29 th July 2017 and ending on 29 th July 2031 (Fortieth issue - private placement) ^{III}	75.00	75.00
9.3896% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 9 th June 2017 and ending on 9 th June 2031 (Thirty ninth issue - private placement) ^{III}	105.00	105.00
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 22 nd March 2017 and ending on 22 nd March 2031 (Thirty eighth issue - private placement) ^{III} .	75.00	75.00
8.8086% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th December 2016 and ending on 15 th December 2030 (Thirty sixth issue - private placement) ^{III}	75.00	75.00
8.785% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th September 2016 and ending on 15 th September 2030 (Thirty fifth issue - private placement) ^{III}	120.00	120.00
8.71% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 10 th June 2016 and ending on 10 th June 2030 (Thirty fourth issue - private placement) ^{III}	150.00	150.00

4. Long-term borrowings

As at	31.03.2013	31.03.2012
8.8493% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 25 th March 2016 and ending on 25 th March 2030 (Thirty second issue - private placement) ^{III}	105.00	105.00
9.37% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty fifth issue - private placement) ^{III}	357.00	428.50
9.06% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty sixth issue - private placement) ^{III}	357.00	428.50
8.6077% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 9 th September 2011 and ending on 9 th March 2021 (Twenty fourth issue - private placement) ^{IV}	350.00	400.00
8.3796% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 5 th August 2011 and ending on 5 th February 2021 (Twenty third issue - private placement) ^{IV}	350.00	400.00
8.1771% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd July 2011 and ending on 2 nd January 2021 (Twenty second issue - private placement) ^{IV}	350.00	400.00
7.7125% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd August 2010 and ending on 2 nd February 2020 (Twenty first issue - private placement) ^V	600.00	700.00
7.552% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 23 rd September 2009 and ending on 23 rd March 2019 (Twentieth Issue - private placement) ^{VI}	250.00	300.00
5.95% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 10 th year respectively from 15 th September 2003 (Eighteenth issue - private placement) ^{VII}	-	100.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each with ten equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of the 6 th year and in annual installments thereafter upto the end of 15 th year respectively from 30 th April 2002 (Thirteenth issue - Part B - private placement) ^{IX}	300.00	375.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each redeemable at par in ten equal annual installments commencing from the end of 6 th year and upto the end of 15 th year respectively from 18 th April 2002 (Thirteenth issue -Part A - private placement) ^{IX}	300.00	375.00

4. Long-term borrowings

₹ Crore

As at	31.03.2013	31.03.2012
Unsecured		
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 7 th March 2023 (Forty eighth issue-private placement) *	300.00	-
	9,704.00	9,057.00
Foreign currency notes		
Unsecured		
4.75 % Fixed rate notes due for repayment on 3 rd October 2022	2,745.50	-
5.625 % Fixed rate notes due for repayment on 14 th July 2021	2,745.50	2,581.50
5.875 % Fixed rate notes due for repayment on 2 nd March 2016	1,647.30	1,548.90
Term loans		
From Banks		
Unsecured		
Foreign currency loans	4,766.70	3,927.15
Rupee loans	13,884.90	9,463.52
From Others		
Secured		
Foreign currency loan (guaranteed by GOI)	-	99.09
Unsecured		
Foreign currency loans (guaranteed by GOI)	2,604.09	2,999.49
Other foreign currency loans	1,864.55	1,872.51
Rupee loans	13,090.55	14,358.43
Deposits		
Unsecured		
Fixed deposits	0.52	0.47
Others		
Unsecured		
Bonds application money pending allotment **	200.00	-
Long term maturities of finance lease obligations (Secured)^X	0.05	0.21
Total	53,253.66	45,908.27

* Formalities for creation of security as per terms of bond issue are in progress.

** Bond application money received in respect of 8.80% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 10,00,000/- each redeemable at par in full on 4th April 2023 (Forty ninth issue-private placement).

4. Long-term borrowings

a) Details of terms of repayment and rate of interest

₹ Crore

Particulars	Non current portion		Current portion	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Term loans				
Secured				
Foreign currency loan (guaranteed by GOI) - Others	-	99.09	96.44	186.38
	-	99.09	96.44	186.38
Unsecured				
Foreign currency loans (guaranteed by GOI) - Others	2,604.09	2,999.49	171.73	183.64
Foreign currency loans - Banks	4,766.70	3,927.15	233.59	219.64
Other foreign currency loans - Others	1,864.55	1,872.51	576.19	646.04
Rupee loans - Banks	13,884.90	9,463.52	1,753.63	1,689.85
Rupee loans - Others	13,090.55	14,358.43	1,367.73	740.33
	36,210.79	32,621.10	4,102.87	3,479.50
Fixed deposits (unsecured)	0.52	0.47	0.11	11.79

- i) Secured Foreign Currency Loan (guaranteed by GOI) carries floating rate of interest linked to Currency Weighted LIBOR and is repayable on June 15, 2013.
- ii) Unsecured Foreign Currency Loans (guaranteed by GOI) - Others carry fixed rate of interest ranging from 1.80% p.a. to 2.30% p.a. and are repayable in 27 to 36 semiannual installments as of 31st March 2013.
- iii) Unsecured Foreign Currency Loans – Banks include loans of ₹ 591.81 Crore (previous year ₹ 635.95 Crore) which carry fixed rate of interest of 4.31% p.a. and loans of ₹ 4,408.48 Crore (previous year ₹ 3,510.84 Crore) which carry floating rate of interest linked to 6M LIBOR. These loans are repayable in 2 to 26 semiannual instalments as of 31st March 2013, commencing after moratorium period if any, as per the terms of the respective loan agreements.
- iv) Unsecured Foreign Currency Loans – Others include loans of ₹ 1,071.57 Crore (previous year ₹ 654.40 Crore) which carry fixed rate of interest ranging from 3.50% p.a. to 4.31% p.a., loans of ₹ 1,277.60 Crore (previous year ₹ 1,675.48 Crore) which carry floating rate of interest linked to 6M LIBOR / 6M EURIBOR and a loan of ₹ 91.57 Crore (previous year ₹ 188.67 Crore) which carries floating rate of interest linked to the cost of borrowings of the Multilateral Agency lender. These loans are repayable in 2 to 24 semiannual installments as of 31st March 2013, commencing after moratorium period if any, as per the terms of the respective loan agreements.
- v) Unsecured rupee term loans carry interest ranging from 5.707 % to 12.75 % p.a. with monthly/quarterly/half-yearly rests. These loans are repayable in quarterly/half-yearly/yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of five to fifteen years after a moratorium period of six months to five years.
- vi) Unsecured fixed deposits carry interest @ 6.75% to 8.00% p.a. payable quarterly/monthly for non-cumulative schemes and on maturity in case of cumulative schemes compounded quarterly. The deposits are repayable during a period of one to three years from the date of issue.
- b) The finance lease obligations are repayable in installments as per the terms of the respective lease agreements generally over a period of four years.
- c) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

Details of securities

- I Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to National Capital Power Station.
- II Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement.
- III Secured by (I) English mortgage, on first pari passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Sipat Super Thermal Power Project by extension of charge already created.
- IV Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of the title deeds of the immovable properties pertaining to Sipat Super Thermal Power Project.
- V Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Barh Super Thermal Power Project on first pari-passu charge basis, ranking pari passu with charge already created in favour of Trustee for other Series of Bonds and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Ramagundam Super Thermal Power Station by extension of charge already created.
- VI Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to Ramagundam Super Thermal Power Station.
- VII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to National Capital Power Station by extension of charge already created.
- VIII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to National Capital Power Station by extension of charge already created.
- IX Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Singrauli Super Thermal Power Station by extension of charge already created.
- X Secured against fixed assets obtained under finance lease.
- XI Security cover mentioned at sl. no. I to IX is above 100% of the debt securities outstanding.

5. Deferred tax liabilities (net)

₹ Crore

	As at 01.04.2012	Additions/ (Adjustments) during the year	As at 31.03.2013
Deferred tax liability			
Difference of book depreciation and tax depreciation	6,002.02	321.04	6,323.06
Less: Deferred tax assets			
Provisions & other disallowances for tax purposes	1,098.16	(322.24)	775.92
Disallowances u/s 43B of the Income Tax Act, 1961	329.40	4.09	333.49
	<u>4,574.46</u>	<u>639.19</u>	<u>5,213.65</u>
Less: Recoverable from beneficiaries	3,937.56	360.79	4,298.35
Total	<u>636.90</u>	<u>278.40</u>	<u>915.30</u>

- a) The net increase during the year in the deferred tax liability of ₹ 278.40 crore (previous year ₹ 33.95 crore) has been debited to Statement of Profit and Loss.
- b) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

6. Other long-term liabilities

	₹ Crore	
As at	31.03.2013	31.03.2012
Trade payables	6.47	5.07
Deferred foreign currency fluctuation liability	135.60	134.43
Other liabilities		
Payable for capital expenditure	1,823.64	1,589.28
Others	0.28	0.28
Total	1,965.99	1,729.06

- a) Disclosure w.r.t. micro and small enterprises as required by the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is made in Note 48.
- b) In line with accounting policy no.L.3, deferred foreign currency fluctuation liability to the extent of **₹ 1.17 crore** (previous year ₹ 37.89 crore) has been made during the year.
- c) Other liabilities - Others include deposits received from contractors, customers and parties towards sale of scrap etc.

7. Long-term provisions

₹ Crore

As at	31.03.2013	31.03.2012
Provision for employee benefits		
Opening balance	603.70	561.90
Additions/(adjustments) during the year	136.22	41.80
Total	<u>739.92</u>	<u>603.70</u>

Disclosure required by AS 15 on 'Employees benefits' has been made in Note 38.

8. Trade payables

	₹ Crore	
As at	31.03.2013	31.03.2012
For goods and services	<u>5,158.77</u>	<u>4,460.65</u>

Disclosure w.r.t. micro and small enterprises as required by the MSMED Act is made in Note 48.

9. Other current liabilities

	₹ Crore	
As at	31.03.2013	31.03.2012
Current maturities of long term borrowings		
Bonds - Secured	693.00	693.00
From Banks		
Unsecured		
Foreign currency loans	233.59	219.64
Rupee term loans	1,753.63	1,689.85
From Others		
Secured		
Foreign currency loan (guaranteed by GOI)	96.44	186.38
Unsecured		
Foreign currency loans (guaranteed by GOI)	171.73	183.64
Other foreign currency loans	576.19	646.04
Rupee term loans	1,367.73	740.33
Fixed deposits	0.11	11.79
	4,892.42	4,370.67
Current maturities of finance lease obligations -Secured	0.22	0.43
Interest accrued but not due on borrowings	626.52	499.81
Unpaid dividends	15.65	11.48
Unpaid matured deposits and interest accrued thereon	0.20	0.26
Unpaid matured bonds and interest accrued thereon	0.59	0.59
Book overdraft	17.23	2.96
Advances from customers and others	323.43	289.16
Payable for capital expenditure	3,512.68	3,503.75
Other payables		
Tax deducted at source and other statutory dues	162.69	154.31
Deposits from contractors and others	102.19	92.92
Gratuity obligations	93.12	60.16
Payable to employees	452.54	318.02
Others	247.24	232.72
Total	10,446.72	9,537.24

- a) Unpaid dividends, matured deposits and bonds including the interest accrued thereon include the amounts which have not been claimed by the investor/holders of the equity shares/bonds/fixed deposits. Out of the above, no amount is due for payment to investor education and protection fund.
- b) Details in respect of rate of interest and terms of repayment of secured and unsecured current maturities of long term borrowings indicated above are disclosed in Note 4.
- c) Other payables - Others include amount payable to hospitals, retired employees etc.
- d) Payable for capital expenditure includes liabilities of ₹ 378.77 crore (previous year ₹ 371.01 crore) towards an equipment supplier pending evaluation of performance and guarantee test results of steam/turbine generators at some of the stations. Pending settlement, liquidated damages recoverable for shortfall in performance of these equipments, if any, have not been recognised.

10. Short-term provisions

	₹ Crore	
As at	31.03.2013	31.03.2012
Provision for employee benefits		
Opening balance	1,143.84	1,170.07
Additions/(adjustments) during the year	279.80	(26.23)
Closing balance	1,423.64	1,143.84
Provision for proposed dividend		
Opening balance	412.27	659.63
Additions during the year	1,649.09	412.27
Amounts paid during the year	412.27	659.63
Closing balance	1,649.09	412.27
Provision for tax on proposed dividend		
Opening balance	62.83	103.93
Additions during the year	280.26	62.83
Amounts paid during the year	62.83	103.93
Closing balance	280.26	62.83
Provision for obligations incidental to land acquisition		
Opening balance	340.08	255.40
Additions during the year	1,850.25	124.40
Amounts paid during the year	129.07	25.20
Amounts reversed during the year	7.32	14.52
Closing balance	2,053.94	340.08
Provision for tariff adjustment		
Opening balance	1,213.70	-
Additions during the year	103.24	1,526.45
Amounts reversed during the year	-	312.75
Closing balance	1,316.94	1,213.70
Provision for shortage in fixed assets pending investigation		
Opening balance	1.31	1.00
Additions during the year	0.27	0.74
Amounts adjusted during the year	0.10	0.07
Amounts reversed during the year	0.39	0.36
Closing balance	1.09	1.31
Others		
Opening balance	59.66	17.86
Additions during the year	220.83	41.90
Amounts adjusted during the year	0.51	-
Amounts reversed during the year	0.40	0.10
Closing balance	279.58	59.66
Total	7,004.54	3,233.69

a) Disclosure required by AS 15 on 'Employees Benefits' has been made in Note 38.

As at	31.03.2013	31.03.2012
b)	<p>In terms of guidelines of Department of Public Enterprises (DPE), Government of India (GOI) dated 26.11.2008 and 02.04.2009 and subsequent clarification issued by the DPE, the Company is allowed to contribute upto 30% of employees salary (basic pay plus DA) towards superannuation benefits including pension w.e.f. 1st January 2007. Consequent upon receipt of approval from the Ministry of Power (MoP), GOI for introduction of a defined contribution pension scheme in the Company w.e.f 1st January 2007, a separate pension trust has been formed for administration of the pension scheme. The pension scheme is yet to be made operational as clarification on certain issues referred to MoP and DPE are awaited. Pending this, an amount of ₹ 156.90 crore (previous year ₹ 174.55 crore) for the year and ₹ 458.40 crore up to 31st March 2013 (upto the previous year ₹ 301.50 crore) has been provided and included in provision for employee benefits.</p>	
c)	<p>Provision for tariff adjustment - addition during the year includes (-) ₹ 45.95 crore (Previous year ₹ Nil) recognised as sales on account of the impact of the challenged issues of the APTEL judgement (Refer Note 22).</p>	
d)	<p>Other provisions include ₹ 46.27 crore (previous year ₹ 41.19 crore) towards cost of unfinished minimum work programme demanded by the Ministry of Petroleum and Natural Gas (MoP&NG) including interest thereon in relation to block AA-ONN-2003/2 [Refer Note 45 (b) (ii)] and ₹ 200.84 crore (previous year ₹ 18.07 crore) towards provision for litigation cases.</p>	

11. Tangible Assets

	Gross Block				Depreciation/Amortisation				Net Block		₹ Crore
	As at	Additions	Deductions/ Adjustments	As at	Upto	For	Deductions/ Adjustments	Upto	As at	As at	
	01.04.2012			31.03.2013	01.04.2012	the year	31.03.2013	31.03.2013	31.03.2013	31.03.2012	
Land											
(including development expenses)											
Freehold	2,147.32	1,131.42	(782.21)	4,060.95	-	-	-	-	4,060.95	2,147.32	
Leasehold	650.05	750.58	(44.52)	1,445.15	131.64	26.76	-	158.40	1,286.75	518.41	
Roads, bridges, culverts & helipads	519.47	61.63	(2.83)	583.93	180.00	23.88	(0.01)	203.89	380.04	339.47	
Building											
Freehold											
Main plant	3,393.69	1,097.95	(63.41)	4,555.05	1,212.32	121.59	(0.01)	1,333.92	3,221.13	2,181.37	
Others	2,270.70	210.59	(8.91)	2,490.20	867.12	99.90	(0.17)	967.19	1,523.01	1,403.58	
Leasehold	50.18	-	0.29	49.89	24.65	2.94	0.18	27.41	22.48	25.53	
Temporary erection	30.39	4.20	(0.10)	34.69	30.03	2.32	-	32.35	2.34	0.36	
Water supply, drainage & sewerage system	602.82	41.35	(1.14)	645.31	293.11	21.83	0.02	314.92	330.39	309.71	
MGR track and signalling system	1,238.05	24.65	(63.15)	1,325.85	588.75	41.07	-	629.82	696.03	649.30	
Railway siding	376.84	56.60	(7.64)	441.08	153.68	19.35	-	173.03	268.05	223.16	
Earth dam reservoir	277.45	8.32	(0.79)	286.56	94.20	13.78	-	107.98	178.58	183.25	
Plant and equipment	68,248.78	15,880.16	(947.00)	85,075.94	31,883.86	3,412.16	131.46	35,164.56	49,911.38	36,364.92	
Furniture and fixtures	381.87	36.04	3.29	414.62	231.54	16.93	2.44	246.03	168.59	150.33	
Vehicles including speedboats											
Owned	11.66	0.69	1.32	11.03	5.73	0.69	0.68	5.74	5.29	5.93	
Leased	1.99	-	(0.17)	2.16	1.39	0.52	-	1.91	0.25	0.60	
Office equipment	139.27	21.93	2.74	158.46	71.28	8.97	2.99	77.26	81.20	67.99	
EDP, WP machines and satcom equipment	364.82	39.12	13.67	390.27	254.11	26.70	12.26	268.55	121.72	110.71	
Construction equipments	144.88	14.38	1.63	157.63	78.43	8.71	2.65	84.49	73.14	66.45	
Electrical installations	321.34	66.32	(2.94)	390.60	150.47	12.45	0.20	162.72	227.88	170.87	
Communication equipments	92.78	3.38	0.62	95.54	48.94	4.86	0.83	52.97	42.57	43.84	
Hospital Equipments	29.34	3.27	0.21	32.40	15.44	0.99	0.16	16.27	16.13	13.90	
Laboratory and workshop equipments	37.61	10.82	(0.08)	48.51	12.46	1.78	(0.01)	14.25	34.26	25.15	
Assets under 5 KM scheme of the GOI	-	0.53	-	0.53	-	0.01	-	0.01	0.52	-	
Capital expenditure on assets not owned by the Company	178.29	0.91	(0.59)	179.79	135.97	9.08	-	145.05	34.74	42.32	
Assets of government	2.84	-	0.03	2.81	-	-	-	-	2.81	2.84	
Less:Grants from government	2.84	-	0.03	2.81	-	-	-	-	2.81	2.84	
Total	81,509.59	19,464.84	(1,901.71)	1,02,876.14	36,465.12	3,877.27	153.67	40,188.72	62,687.42	45,044.47	
Previous year	72,456.58	7,336.32	(1,716.69)	81,509.59	33,429.65	3,118.10	82.63	36,465.12	45,044.47	39,026.93	

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

	Gross Block		Depreciation/Amortisation		₹ Crore
	31.03.2013	31.03.2012	31.03.2013	31.03.2012	
Disposal of assets	5.36	12.02	4.05	6.86	
Retirement of assets	201.91	195.68	142.49	76.96	
Cost adjustments including exchange differences	(2,109.66)	(1,912.42)	-	-	
Assets capitalised with retrospective effect/write back of excess capitalisation	(8.67)	(17.48)	0.18	(4.83)	
Others	9.35	5.51		3.64	
	(1,901.71)	(1,716.69)	153.67	82.63	

- a) The conveyancing of the title to **11,322 acres** of freehold land of value ₹ **1,587.59 crore** (previous year 10,359 acres of value ₹ 527.91 crore), buildings & structures of value ₹ **136.74 crore** (previous year ₹ 136.60 crore) and also execution of lease agreements for **10,515 acres** of land of value ₹ **467.02 crore** (previous year 8,436 acres, value ₹ 324.76 crore) in favour of the Company are awaiting completion of legal formalities.
- b) Leasehold land includes **2,002 acres** valuing ₹ **642.07 crore** (previous year 819 acres valuing ₹ 29.67 crore) acquired on perpetual lease and accordingly not amortised.
- c) Land does not include value of **1,181 acres** (previous year 1,181 acres) of land in possession of the Company. This will be accounted for on settlement of the price thereof by the State Government Authorities.
- d) Land includes **1,233 acres** of value ₹ **14.99 crore** (previous year 1,237 acres of value ₹ 14.90 crore) not in possession of the Company. The Company is taking appropriate steps for repossession of the same.
- e) Land includes an amount of ₹ **152.48 crore** (previous year ₹ 119.24 crore) deposited with various authorities in respect of land in possession which is subject to adjustment on final determination of price.
- f) Possession of land measuring **98 acres** (previous year 98 acres) consisting of **79 acres** of freehold land (previous year 79 acres) and **19 acres** of lease hold land (previous year 19 acres) of value ₹ **0.21 crore** (previous year ₹ 0.21 crore) was transferred to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (erstwhile UPSEB) for a consideration of ₹ **0.21 crore**. Pending approval for transfer of the said land, the area and value of this land has been included in the total land of the Company. The consideration received from erstwhile UPSEB is disclosed under Note -9 - 'Other Current Liabilities -as other liabilities'.
- g) Ministry of Power, Government of India vide its notification no. 2/38/99-BTPS (Volume VII) dated 22nd September 2006 transferred land of a power station to the Company on operating lease of 50 years. Lease rent for the year amounting to ₹ **6.20 crore** (previous year ₹ 6.18 crore) has been charged to the statement of profit & loss.
- h) The Company has received an opinion from the EAC of the ICAI on accounting treatment of capital expenditure on assets not owned by the Company wherein it was opined that such expenditure are to be charged to the statement of profit & loss as and when incurred. The Company has represented that such expenditure being essential for setting up of a project, the same be accounted in line with the existing accounting practice and sought a review. Pending receipt of communication from ICAI regarding the review, existing treatment has been continued as per the relevant accounting policy.
- i) Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the plant.
- j) From the accounting periods commencing on or after 7th December 2006, the Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items relating to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset.
- k) The borrowing costs capitalised during the year ended 31st March 2013 is ₹ **2,148.14 crore** (previous year ₹ 2,342.21 crore). The Company capitalised the borrowings costs in the capital work-in-progress (CWIP). Exchange differences capitalised are disclosed in the 'Addition' column of CWIP and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustment' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of fixed assets. Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of fixed assets and CWIP through 'Addition' or 'Deductions/Adjustments' column are given below:

	For the year ended 31st March 2013		For the year ended 31st March 2012	
	Exchg. Difference incl. in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP	Exchg. difference incl. in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP
	₹ Crore			
Building				
Main plant	2.15	121.58	26.94	63.76
Others	0.18	26.81	3.73	34.07
Hydraulic works, barrages, dams, tunnels and power channel	-	194.24	-	238.53
MGR track and signalling system	-	8.94	1.54	7.84
Railway siding	0.03	18.37	0.03	5.27
Plant and equipment	655.55	1,458.93	1,026.74	1,724.97
Others including pending allocation	398.10	319.27	602.23	267.77
Total	1,056.01	2,148.14	1,661.21	2,342.21

Intangible assets

₹ Crore

	Gross Block			As at 31.03.2013	Upto 01.04.2012	Amortisation			Net Block	
	As at 01.04.2012	Additions	Deductions/ Adjustments			For the year	Deductions/ Adjustments	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
Software	93.15	3.11	0.76	95.50	88.42	2.50	(0.25)	91.17	4.33	4.73
Right of use - Land	6.46	41.17	(0.10)	47.73	2.45	2.33	-	4.78	42.95	4.01
- Others	219.06	-	(7.27)	226.33	15.91	9.02	-	24.93	201.40	203.15
Total	318.67	44.28	(6.61)	369.56	106.78	13.85	(0.25)	120.88	248.68	211.89
Previous year	296.43	2.65	(19.59)	318.67	89.54	16.47	(0.77)	106.78	211.89	206.89

- a) The right of use of land, other than perpetual in nature, is amortised over its life or 25 years whichever is less.
- b) Cost of acquisition of the right for drawl of water amounting to ₹ 226.33 crore (previous year ₹ 219.06 crore) is included under intangible assets – Right of use - Others.

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

	Gross Block		Depreciation / Amortisation	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Retirement of assets	-	0.17	-	(0.17)
Cost adjustments including exchange differences	(6.30)	(19.54)	-	(0.78)
Assets capitalised with retrospective effect/write back of excess capitalisation	0.08	-	0.07	-
Others	(0.39)	(0.22)	(0.32)	0.18
	(6.61)	(19.59)	(0.25)	(0.77)

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

	31.03.2013	31.03.2012
Charged to statement of profit & loss	3,396.76	2,791.70
Allocated to fuel cost	201.35	166.84
Transferred to expenditure during construction period (net) - Note 28	36.11	32.21
Transferred to development of coal mines	1.20	0.98
Adjustment with deferred income/expense from deferred foreign currency fluctuation	255.70	142.84
	3,891.12	3,134.57

12. Capital work-in-progress

₹ Crore

	As at 01.04.2012	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2013
Development of land	439.58	79.61	79.46	-	439.73
Roads, bridges, culverts & helipads	62.56	41.82	(33.11)	61.63	75.86
Piling and foundation	540.95	53.17	18.87	-	575.25
Buildings					
Main plant	2,528.06	637.60	627.71	1,097.95	1,440.00
Others	498.34	391.28	66.64	210.59	612.39
Temporary erection	9.40	5.85	7.00	2.10	6.15
Water supply, drainage and sewerage system	64.55	24.64	0.38	37.06	51.75
Hydraulic works, barrages, dams, tunnels and power channel	3,432.12	635.46	2.10	-	4,065.48
MGR track and signalling system	186.27	182.85	99.06	24.65	245.41
Railway siding	218.18	121.20	(78.17)	56.60	360.95
Earth dam reservoir	43.21	13.98	2.16	5.49	49.54
Plant and equipment	30,255.47	9,309.74	(963.70)	15,734.98	24,793.93
Furniture and fixtures	5.80	17.83	0.04	11.66	11.93
Vehicles	0.17	-	(0.47)	-	0.64
Office equipment	4.95	0.76	2.24	0.15	3.32
EDP/WP machines & satcom equipment	0.21	1.42	(2.11)	0.22	3.52
Construction equipments	0.07	0.01	0.07	-	0.01
Electrical installations	172.34	37.39	90.60	44.96	74.17
Communication equipment	1.74	1.24	(0.16)	0.43	2.71
Hospital equipments	0.38	-	0.23	-	0.15
Laboratory and workshop equipments	1.46	-	1.30	-	0.16
Assets under 5 KM scheme of the GOI	2.24	48.67	(7.85)	0.53	58.23
Capital expenditure on assets not owned by the company	12.04	23.21	13.67	0.91	20.67
Exploratory wells-in-progress	7.66	0.01	0.01	-	7.66
Development of coal mines	279.74	96.42	-	-	376.16
	38,767.49	11,724.16	(74.03)	17,289.91	33,275.77
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	95.35	15.20	10.79	-	99.76
Difference in exchange on foreign currency loans	628.68	795.23	572.55	-	851.36
Expenditure towards diversion of forest land	164.01	78.83	9.14	-	233.70
Pre-commissioning expenses (net)	190.93	180.68	344.58	-	27.03
Expenditure during construction period (net)	199.27	2,949.41	(4.42)	-	3,153.10
Less: Allocated to related works		2,656.65	-	-	2,656.65
	40,045.73	13,086.86	858.61	17,289.91	34,984.07
Less: Provision for unserviceable works	22.44	49.89	0.90	-	71.43
Construction stores (net of provision)	1,804.53	392.25	-	-	2,196.78
Total	41,827.82	13,429.22	857.71	17,289.91	37,109.42
Previous year	35,495.30	14,322.23	1,246.43	6,743.28	41,827.82

* Brought from Expenditure during construction period (net) - Note 28

- Construction stores are net of provision for shortages pending investigation amounting to ₹ 0.63 crore (previous year ₹ 1.28 crore)
- Pre-commissioning expenses for the year amount to ₹ 446.98 crore (previous year ₹ 549.35 crore) and after adjustment of pre-commissioning sales of ₹ 266.30 crore (previous year ₹ 305.11 crore) resulted in net pre-commissioning expenditure of ₹ 180.68 crore (previous year ₹ 244.24 crore).
- Additions to the development of coal mines includes expenditure during construction period of ₹ 96.42 crore (previous year ₹ 84.69 crore).
- Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the generation plants of the Company in terms of MOP Scheme.

₹ Crore

	As at 01.04.2012	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2013
Intangible assets under development					
Software	0.04	-	0.04	-	-
Total	0.04	-	0.04	-	-
Previous year	0.03	0.01	-	-	0.04

13. Non-current investments

₹ Crore

As at			31.03.2013	31.03.2012
	Number of shares/bonds/ securities	Face value per share/bond/ security		
	Current year/ (previous year)	Current year/ (previous year)		
		(₹)		
Long term - Trade				
Equity instruments (fully paid up - unless otherwise stated)				
Quoted				
Joint venture companies				
PTC India Ltd.	12000000 (12000000)	10 (10)	12.00	12.00
			12.00	12.00
Unquoted				
Subsidiary companies				
NTPC Electric Supply Company Ltd.	80910 (80910)	10 (10)	0.08	0.08
NTPC Vidyut Vyapar Nigam Ltd.	20000000 (20000000)	10 (10)	20.00	20.00
NTPC Hydro Ltd.	121359500 (121359500)	10 (10)	121.36	121.36
Less: Provision for permanent diminution			8.14	8.14
			113.22	113.22
Kanti Bijlee Utpadan Nigam Ltd.	357151233 (342738200)	10 (10)	357.15	342.74
Bhartiya Rail Bijlee Company Ltd.	509460000 (509460000)	10 (10)	509.46	509.46
			999.91	985.50
Share application money pending allotment in				
NTPC Hydro Ltd.			0.20	0.20
Kanti Bijlee Utpadan Nigam Ltd.			25.65	14.41
Bhartiya Rail Bijlee Company Ltd. (* ₹ 39,000/-)			*	*
			25.85	14.61
Joint venture companies				
Utility Powertech Ltd. (includes 1000000 bonus shares)	2000000 (2000000)	10 (10)	1.00	1.00
NTPC-Alstom Power Services Private Ltd.	3000000 (3000000)	10 (10)	3.00	3.00
NTPC-SAIL Power Company Private Ltd.	490250050 (475250050)	10 (10)	490.25	475.25
NTPC-Tamil Nadu Energy Company Ltd.	1143606112 (844000000)	10 (10)	1,143.61	844.00
Ratnagiri Gas & Power Private Ltd.	974308300 (776900000)	10 (10)	974.30	776.90
Aravali Power Company Private Ltd.	1159508200 (1089508200)	10 (10)	1,159.51	1,089.51
NTPC-SCCL Global Ventures Private Ltd.	50000 (50000)	10 (10)	0.05	0.05
NTPC BHEL Power Projects Private Ltd.	25000000 (25000000)	10 (10)	25.00	25.00
Meja Urja Nigam Private Limited	378789800 (107429800)	10 (10)	378.79	107.43
BF-NTPC Energy Systems Ltd.	5880000 (5880000)	10 (10)	5.88	5.88

As at			31.03.2013	31.03.2012
	Number of shares/bonds/ securities	Face value per share/bond/ security		
	Current year/ (previous year)	Current year/ (previous year)		
		(₹)		
National Power Exchange Ltd.	2188325	10	2.19	2.19
	(2188325)	(10)		
Less: Provision for permanent diminution			1.04	-
			1.15	2.19
Nabinagar Power Generating Company Private Ltd.	153000000	10	153.00	153.00
	(153000000)	(10)		
Transformers and Electricals Kerala Ltd.	19163438	10	31.34	31.34
	(19163438)	(10)		
National High Power Test Laboratory Private Ltd.	11060000	10	11.06	2.62
	(2625000)	(10)		
International Coal Ventures Private Ltd.	1400000	10	1.40	1.40
	(1400000)	(10)		
Energy Efficiency Services Ltd.	22500000	10	22.50	0.63
	(625000)	(10)		
CIL NTPC Urja Private Ltd.	25000	10	0.03	0.03
	(25000)	(10)		
Anushakti Vidhyut Nigam Ltd.	49000	10	0.05	0.05
	(49000)	(10)		
Pan-Asian Renewables Private Ltd.	500000	10	0.50	0.50
	(500000)	(10)		
Trincomalee Power Company Ltd. (* Srilankan rupees)	1500000	100*	6.72	6.72
	(1500000)	(100)		
			4,409.14	3,526.50
Share application money pending allotment in				
NTPC-Tamilnadu Energy Company Ltd.			-	55.00
Aravali Power Company Private Ltd. (*₹ 60,000/-)			49.01	*
Meja Urja Nigam Private Ltd.			33.64	5.00
Nabinagar Power Generating Company Pvt. Ltd.			317.12	50.00
CIL NTPC Urja Private Ltd.			0.05	0.05
Energy Efficiency Services Ltd.			2.50	24.38
			402.32	134.43
Cooperative societies			#	#
Bonds (fully paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of				
Andhra Pradesh	2521300	1000	252.13	378.20
	(3781950)	(1000)		
Assam	102928	1000	10.29	15.44
	(154392)	(1000)		
Bihar	3788800	1000	378.88	568.32
	(5683200)	(1000)		
Chattisgarh	966440	1000	96.64	144.97
	(1449660)	(1000)		
Gujarat	1674480	1000	167.45	251.17
	(2511720)	(1000)		
Haryana	2150000	1000	215.00	322.50
	(3225000)	(1000)		
Himachal Pradesh	66776	1000	6.68	10.02
	(100164)	(1000)		
Jammu and Kashmir	734720	1000	73.47	110.21
	(1102080)	(1000)		
Jharkhand	1920256	1000	192.03	288.04
	(2880376)	(1000)		

As at			31.03.2013	31.03.2012
	Number of shares/bonds/ securities	Face value per share/bond/ security		
	Current year/ (previous year)	Current year/ (previous year)		
		(₹)		
Kerala	2004800 (3007200)	1000 (1000)	200.48	300.72
Madhya Pradesh	1661680 (2492520)	1000 (1000)	166.17	249.25
Maharashtra	762800 (1144200)	1000 (1000)	76.28	114.42
Orissa	2205748 (3308622)	1000 (1000)	220.57	330.86
Punjab	692460 (1038690)	1000 (1000)	69.25	103.87
Rajasthan	435000 (435000)	1000 (1000)	43.50	43.50
Sikkim	68392 (102588)	1000 (1000)	6.84	10.26
Uttar Pradesh	7979800 (11969700)	1000 (1000)	797.98	1,196.97
Uttaranchal	799300 (1198950)	1000 (1000)	79.93	119.89
West Bengal	2348496 (3522744)	1000 (1000)	234.85	352.27
			3,288.42	4,910.88
Total			9,137.64	9,583.92
Aggregate amount of quoted investments				
Book value			12.00	12.00
Market value			71.94	73.32
Aggregate amount of unquoted investments				
Book value			9,125.64	9,571.92
Aggregate amount of provision for diminution in the value of investments			9.18	8.14

Equity shares of ₹ 30,200/- (previous year ₹ 30,200/-) held in various Company's employees co-operative societies.

- Investments have been valued considering the accounting policy no.J.
- During the previous year, the Board of Directors of the Company has accorded in principle approval for the amalgamation of NTPC Hydro Ltd. (a wholly owned subsidiary of the Company) with the Company. Pending approval of Scheme of amalgamation, provision of ₹ 8.14 crore (previous year ₹ 8.14 crore) towards the permanent diminution other than temporary in the value of investment in NTPC Hydro Ltd. has been made.
- During the year, the Board of Directors of the Company has accorded in principle approval for withdrawal from National Power Exchange Ltd. (a joint venture of the Company). Pending withdrawal, provision of ₹ 1.04 crore (previous year ₹ Nil) towards the permanent diminution other than temporary in the value of investment in National Power Exchange Ltd. has been made.

14. Long-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2013	31.03.2012
Capital advances		
Secured	58.88	17.24
Unsecured		
Covered by bank guarantee	3,775.96	1,059.69
Others	3,092.51	1,776.16
Considered doubtful	2.54	2.16
Less: Allowance for bad & doubtful advances	2.54	2.16
	<u>6,927.35</u>	<u>2,853.09</u>
Security deposits (unsecured)	<u>82.84</u>	<u>84.35</u>
Loans		
Related parties		
Unsecured	0.03	0.05
Employees (including accrued interest)		
Secured	395.88	377.60
Unsecured	142.74	136.89
Loan to state government in settlement of dues from customers (Unsecured)	239.31	335.04
Others		
Secured	14.29	21.42
Unsecured	8.86	13.43
	<u>801.11</u>	<u>884.43</u>
Advances		
Contractors & suppliers, including material issued on loan		
Unsecured	65.58	49.86
Advance tax & tax deducted at source	11,460.19	10,116.58
Less: Provision for current tax	9,703.62	8,593.96
	<u>1,756.57</u>	<u>1,522.62</u>
Total	<u><u>9,633.45</u></u>	<u><u>5,394.35</u></u>
a) Due from directors and officers of the Company		
Directors	0.03	0.05
Officers	78.32	83.30
b) Loans to related parties include:		
Key management personnel	0.03	0.05
c) Capital advances include ₹ 226.27 crore (previous year ₹ 162.29 crore), paid to a contractor pending settlement of certain claims which are under arbitration. The amount will be adjusted in the cost of related work or recovered from the party, depending upon the outcome of the arbitration proceedings.		
d) Capital advances include amount due from related parties ₹ 0.08 crore (previous year ₹ 0.08 crore)		
e) Other loans represent loan of ₹ 14.29 crore (previous year ₹ 21.42 crore) given to Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC) and ₹ 8.86 crore (previous year ₹ 13.43 crore) to Kanti Bijlee Utpadan Nigam Ltd.		

15. Other non-current assets

	₹ Crore	
As at	31.03.2013	31.03.2012
Deferred foreign currency fluctuation asset	<u>1,132.77</u>	<u>1,371.88</u>

In line with accounting policies no.L.3, deferred foreign currency fluctuation asset has been accounted and (-) ₹ 296.96 crore (previous year ₹ 129.78 crore) being exchange fluctuations on account of interest and finance charges has been recognised as energy sales in Note 22.

16. Current investments

		₹ Crore		
As at		31.03.2013	31.03.2012	
	Number of bonds/ securities Current year/ (previous year)	Face value per bond/ security Current year/ (previous year) (₹)		
Trade				
Current maturities of long term investments				
Bonds (fully-paid up)				
Unquoted				
8.50 % Tax-Free State Government Special				
Bonds of the Government of				
Andhra Pradesh	1260650 (1260650)	1000 (1000)	126.07	126.07
Assam	51464 (51464)	1000 (1000)	5.15	5.15
Bihar	1894400 (1894400)	1000 (1000)	189.44	189.44
Chattisgarh	483220 (483220)	1000 (1000)	48.32	48.32
Gujarat	837240 (837240)	1000 (1000)	83.73	83.73
Haryana	1075000 (1075000)	1000 (1000)	107.50	107.50
Himachal Pradesh	33388 (33388)	1000 (1000)	3.34	3.34
Jammu and Kashmir	367360 (367360)	1000 (1000)	36.74	36.74
Jharkhand	960120 (960120)	1000 (1000)	96.01	96.01
Kerala	1002400 (1002400)	1000 (1000)	100.24	100.24
Madhya Pradesh	830840 (830840)	1000 (1000)	83.08	83.08
Maharashtra	381400 (381400)	1000 (1000)	38.14	38.14
Orissa	1102874 (1102874)	1000 (1000)	110.29	110.29
Punjab	346230 (346230)	1000 (1000)	34.62	34.62
Sikkim	34196 (34196)	1000 (1000)	3.42	3.42
Uttar Pradesh	3989900 (3989900)	1000 (1000)	398.99	398.99
Uttaranchal	399650 (399650)	1000 (1000)	39.96	39.96
West Bengal	1174248 (1174248)	1000 (1000)	117.42	117.42
Total			1,622.46	1,622.46
Aggregate amount of unquoted investments				
Book value			1,622.46	1,622.46

- a) Investments have been valued considering the accounting policy no.J.
- b) The above investments are unquoted and hence market value is not applicable.

17. Inventories

	₹ Crore	
As at	31.03.2013	31.03.2012
Coal	885.62	1,096.14
Fuel oil	364.99	234.65
Naphtha	146.77	119.04
Stores and spares	2,210.19	1,899.57
Chemicals & consumables	73.51	44.47
Loose tools	5.70	5.65
Steel scrap	20.96	16.54
Others	413.40	347.35
	4,121.14	3,763.41
Less: Provision for shortages	1.87	1.86
Provision for obsolete/unserviceable items/ diminution in value of surplus inventory	62.08	58.70
Total	4,057.19	3,702.85
Inventories include material-in-transit		
Coal	75.02	83.15
Stores and spares	29.13	28.00
Chemicals & consumables	0.62	0.09
Loose tools	0.05	0.16
Others	2.27	1.43
	107.09	112.83

- a) Inventory items, other than steel scrap have been valued considering the accounting policy no.K.1. Steel scrap has been valued at estimated realisable value.
- b) Inventories - Others includes steel, cement, ash bricks etc.

18. Trade receivables

	₹ Crore	
As at	31.03.2013	31.03.2012
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	59.41	18.61
Considered doubtful	0.03	840.70
Less: Allowance for bad & doubtful receivables	0.03	840.70
	59.41	18.61
Others - unsecured, considered good	5,306.08	5,813.90
Total	5,365.49	5,832.51

Refer Note no. 32 for write back of Allowance for bad and doubtful receivables.

19. Cash and bank balances

₹ Crore

As at	31.03.2013	31.03.2012
Cash & cash equivalents		
Balances with banks		
Current accounts	315.24	461.36
Deposits with original maturity upto three months	-	300.00
Cheques & drafts on hand	64.97	0.43
Others (stamps in hand)	0.09	0.10
Other bank balances		
Deposits with original maturity of more than three months but not more than twelve months	16,469.97	15,357.98
Others [#]	17.43	21.96
Total	16,867.70	16,141.83
# Not available for use to the Company and include:		
Unpaid dividend account balance	15.65	11.48
Balance with Reserve Bank of India *	1.77	1.77
Security with government authorities:		
As per court orders	-	0.10
As per demand	0.01	8.61
	17.43	21.96

* Out of margin money kept with Reserve Bank of India in terms of Rule 3 A of the Companies (Acceptance of Deposits) Rules, 1975 for fixed deposits from public.

20. Short-term loans and advances (Considered good, unless otherwise stated)

₹ Crore

As at	31.03.2013	31.03.2012
Loans		
Related parties		
Unsecured	0.04	0.03
Employees (including accrued interest)		
Secured	76.27	69.92
Unsecured	90.86	83.12
Loan to state government in settlement of dues from customers		
Unsecured	95.73	95.73
Others		
Secured	35.71	28.58
Unsecured	35.99	3.71
	334.60	281.09
Advances		
Related parties		
Unsecured	3.40	1.64
Employees		
Unsecured	8.59	9.09
Considered doubtful	0.11	0.08
Contractors & suppliers, including material issued on loan		
Secured	6.71	5.60
Unsecured	533.85	821.51
Considered doubtful	1.51	1.57
Others		
Unsecured	202.60	105.52
Considered doubtful	0.02	0.02
Less: Allowance for bad & doubtful advances	1.64	1.67
	755.15	943.36
Security deposits (unsecured)	655.78	318.87
Total	1,745.53	1,543.32
a) Due from Directors and Officers of the Company		
Directors	0.04	0.03
Officers	27.81	25.88
b) Loans to related parties include:		
Key management personnel	0.04	0.03
c) Advance to related parties include:		
Joint venture companies	2.30	1.64

20. Short-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2013	31.03.2012
d) Loans and advances include amounts due from the following private companies in which one or more directors of the Company are directors:		
NTPC-Alstom Power Services Private Ltd.	1.33	0.33
NTPC-SAIL Power Company Private Ltd.	25.54	5.04
Aravali Power Company Private Ltd.	10.75	3.85
NTPC BHEL Power Projects Private Ltd.	0.93	1.35
Meja Urja Nigam Private Limited	4.85	2.73
Nabinagar Power Generating Company Private Ltd.	2.63	0.30
Pan-Asian Renewables Private Ltd.	0.13	0.00
Ratnagiri Gas & Power Private Ltd.*	-	0.16
* As at the the Balance Sheet date, no director of the Company is a director on the Board of Ratnagiri Gas & Power Private Ltd.		
e) Other loans represent loans of ₹ 35.71 crore (previous year ₹ 28.58 crore) given to APIIC, ₹ 3.72 crore (previous year ₹ 3.71 crore) to Kanti Bijlee Utpadan Nigam Ltd. and ₹ 32.27 crore (previous year ₹ Nil) to NTPC Hydro Ltd.		
f) Other advances mainly represent prepaid expenses amounting to ₹ 57.89 crore (previous year ₹ 54.49 crore).		
g) Security deposit (unsecured) includes ₹ 200.35 crore (previous year ₹ 163.46 crore) sales tax deposited under protest with sales tax authorities.		

21. Other current assets

	₹ Crore	
As at	31.03.2013	31.03.2012
Interest accrued on		
Bonds	243.19	312.14
Term deposits	824.34	775.60
Others	23.95	18.56
	<u>1,091.48</u>	<u>1,106.30</u>
Claims recoverable		
Unsecured, considered good	4,779.87	1,822.51
Considered doubtful	13.05	13.31
Less: Allowance for doubtful claims	13.05	13.31
	<u>4,779.87</u>	<u>1,822.51</u>
Unbilled revenue	5,624.27	5,616.10
Assets held for disposal	2.96	2.00
Others	10.13	6.49
Total	<u><u>11,508.71</u></u>	<u><u>8,553.40</u></u>

- a) Others include amount recoverable from contractors and other parties towards hire charges, rent/electricity, etc.
- b) Claims recoverables include ₹ 894.72 crore (previous year ₹ 766.12 crore) towards the cost incurred upto 31st March 2013 in respect of one of the hydro power projects, the construction of which has been discontinued on the advice of the Ministry of Power, GOI. This includes ₹ 109.65 crore (previous year ₹ Nil) in respect of two arbitration awards challenged/being challenged by the Company before High Court. In the event the High Court grants relief to the Company, the amount would be adjusted against Short Term Provisions - Others (Note 10). Management expects that the total cost incurred, anticipated expenditure on the safety and stabilisation measures, other recurring site expenses and interest costs as well as claims of contractors/vendors for various packages for this project will be compensated in full by the GOI. Hence no provision is considered necessary.
- c) Claims recoverable includes ₹ 2,520.08 crore (previous year ₹ Nil) recoverable from Government of National Capital Territory of Delhi (GNCTD) towards settlement of dues of erstwhile Delhi Electric Supply Undertaking (DESU). (Refer Note 32).
- d) Unbilled revenue is net of credits to be passed to beneficiaries at the time of billing and includes ₹ 6,005.41 crore (previous year ₹ 5,411.93 crore) billed to the beneficiaries after 31st March for energy sales.

22. Revenue from operations (gross)

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Energy sales (including electricity duty)	64,715.88	61,430.85
Consultancy, project management and supervision fee (including turnkey construction projects)	126.81	142.69
	<u>64,842.69</u>	<u>61,573.54</u>
Energy internally consumed	76.73	80.75
Other operating revenues		
Interest from customers	432.60	510.57
Recognized from deferred foreign currency fluctuation liability	3.52	0.16
Provisions written back		
Tariff adjustments	-	312.75
Doubtful debts	840.67	0.14
Doubtful loans, advances and claims	0.33	0.14
Doubtful construction advances	-	0.03
Shortage in construction stores	0.58	0.34
Shortage in stores	0.57	1.08
Obsolescence in stores	1.26	1.02
Unserviceable capital works	0.90	-
Shortages in fixed assets	0.39	0.36
	<u>844.70</u>	<u>315.86</u>
Total	<u><u>66,200.24</u></u>	<u><u>62,480.88</u></u>

- a) The Central Electricity Regulatory Commission (CERC) notified the Tariff Regulations, 2009 in January 2009, and First, Second and Third Amendments thereto in May 2011, June 2011 and December 2012 respectively (Regulations, 2009). In line with the Regulations, 2009, the CERC has issued provisional/final tariff orders w.e.f. 1st April 2009 for all the stations except for Talcher Thermal Power Station (TTPS). Beneficiaries are billed in accordance with the said provisional/final tariff orders except for three stations where it is done on provisional basis. The amount billed for the year ended 31st March 2013 on this basis is ₹ 61,794.68 crore (previous year ₹ 59,965.57 crore).
- b) In respect of stations for which the CERC has issued final tariff orders under the Regulations, 2009 and Renewable Energy Regulations, 2009, sales have been recognised at ₹ 54,588.81 crore for the year ended 31st March 2013 (previous year ₹ 55,537.41 crore) after truing up capital expenditure to arrive at the capacity charges. For other stations, pending determination of station-wise final tariff by the CERC, sales have been provisionally recognized at ₹ 8,059.66 crore for the year ended 31st March 2013 (previous year ₹ 5,145.38 crore) on the basis of principles enunciated in the said Regulations, 2009 after truing up capital expenditure to arrive at the capacity charges.
- c) Sales include ₹ 1,241.90 crore for the year ended 31st March 2013 (previous year ₹ 547.78 crore) pertaining to previous years recognized based on the orders issued by the CERC/Appellate Tribunal for Electricity (APTEL).

22. Revenue from operations (gross)

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
d)	<p>The Company aggrieved over many of the issues as considered by the CERC in the tariff orders for its stations for the period 2004-09 had filed appeals with the APTEL. The APTEL disposed off the appeals favourably directing the CERC to revise the tariff orders as per directions and methodology given. Some of the issues decided in favour of the Company by the APTEL were challenged by the CERC in the Hon'ble Supreme Court of India. Subsequently, the CERC has issued revised tariff orders for all the stations except one for the period 2004-09, considering the judgment of APTEL subject to disposal of appeals pending before the Hon'ble Supreme Court of India. Consequently, the impact of the aforesaid issues amounting to (-) ₹ 45.95 crore has been recognized as sales during the year ended 31st March 2013 (previous year (-) ₹ 49.16 crore) with corresponding adjustment in 'Provision for Tariff Adjustment'.</p>	
e)	<p>Sales include ₹ 246.04 crore for the year ended 31st March 2013 (previous year (-) ₹ 266.14 crore) on account of income-tax recoverable from the beneficiaries as per Regulations, 2004. Sales also include ₹ 53.16 crore for the year ended 31st March 2013 (previous year ₹ 37.77 crore) on account of deferred tax materialized which is recoverable from beneficiaries as per Regulations, 2009.</p>	
f)	<p>Electricity duty on energy sales amounting to ₹ 526.31 crore (previous year ₹ 428.65 crore) has been reduced from sales in the statement of profit and loss.</p>	
g)	<p>Revenue from operations include ₹ 76.73 crore (previous year ₹ 80.75 crore) towards energy internally consumed, valued at variable cost of generation and the corresponding amount is included in power charges (Note-26).</p>	
h)	<p>CERC Regulations provides that where after the truing-up, the tariff recovered is less/more than the tariff approved by the Commission, the generating Company shall recover/pay from/to the beneficiaries the under/over recovered amount along-with simple interest. Accordingly, the interest recoverable from the beneficiaries amounting to ₹ 432.60 crore (previous year ₹ 510.57 crore) has been accounted and disclosed as 'Interest from customers'. Further, the amount payable to the beneficiaries has been accounted as 'Interest payable to customers' and disclosed in Note 26.</p>	
i)	<p>Refer Note -32 in respect of write back of provision for doubtful debts.</p>	

23. Other income

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Interest from		
Long-term investments - Government securities (8.5% tax free bonds)	520.86	659.38
Others		
Loan to state government in settlement of dues from customers	34.58	42.72
Loan to subsidiary companies	2.37	3.03
Loan to employees	28.84	25.31
Contractors	36.25	32.88
Deposits with banks	1,839.30	1,602.52
Income tax refunds	39.41	99.89
Less : Refundable to customers	0.02	34.47
	39.39	65.42
Others	8.22	12.02
Dividend from		
Long-term investments in		
Subsidiaries	25.00	19.00
Joint ventures	103.66	60.16
Current investments in		
Mutual funds	112.66	90.14
Other non-operating income		
Surcharge received from customers	87.75	1.16
Hire charges for equipment	4.28	3.23
Net gain in foreign currency transactions & translations	27.90	61.25
Sale of scrap	89.06	80.08
Liquidated damages recovered	11.82	7.13
Miscellaneous income	200.06	115.30
Profit on disposal of fixed assets	4.62	13.28
	3,176.62	2,894.01
Less: Transferred to expenditure during construction period (net) - Note 28	38.84	40.16
Transferred to development of coal mines	8.30	2.95
Transferred to deferred foreign currency fluctuation asset/liability	27.90	61.25
Total	3,101.58	2,789.65

Miscellaneous income includes income from township recoveries and receipts towards insurance claims.

24. Employee benefits expense

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Salaries and wages	3,402.23	3,171.52
Contribution to provident and other funds	372.41	298.81
Staff welfare expenses	355.00	297.58
	4,129.64	3,767.91
Less: Allocated to fuel cost	193.58	166.32
Transferred to development of coal mines	34.31	32.00
Transferred to expenditure during construction period (net)- Note 28	541.63	467.88
Total	3,360.12	3,101.71

- a) Disclosures required by AS 15 in respect of provision made towards various employees benefits are made in Note 38.
- b) Salary and wages include field compensatory allowance paid by the Company to eligible employees serving in difficult and far flung areas w.e.f. 1st January 2007. As per the Office Memorandum dated 26th November 2008 of DPE relating to revision of pay scales w.e.f 1st January 2007, special allowance can be paid to such employees upto 10% of basic pay as approved by concerned administrative ministry. In consultation with the DPE, the Company is in the process of formulating a scheme in this regard and the same shall be forwarded to MOP after approval of the Board.

25. Finance costs

₹ Crore

For the year ended	31.03.2013	31.03.2012
Interest on		
Bonds	900.87	831.50
Foreign currency term loans	235.33	205.71
Rupee term loans	2,753.01	2,335.70
Public deposits	0.16	1.24
Foreign currency bonds/notes	345.91	184.32
Others	73.14	60.99
	4,308.42	3,619.46
Other borrowing costs		
Bonds servicing & public deposit expenses	2.38	2.18
Guarantee fee	39.84	37.67
Management fee	36.24	10.97
Foreign currency bonds/notes expenses	6.05	17.10
Up-front fee	-	15.31
Insurance premium on foreign currency loans	27.39	-
Others	2.67	0.95
	114.57	84.18
Exchange differences regarded as an adjustment to interest costs	(350.21)	350.21
	4,072.78	4,053.85
Less: Transferred to expenditure during construction period (net) - Note 28	2,101.90	2,308.47
Transferred to development of coal mines	46.52	33.74
Total	1,924.36	1,711.64

26. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Power charges	172.89	224.33
Less: Recovered from contractors & employees	<u>18.47</u>	<u>17.73</u>
	154.42	206.60
Water charges	488.67	329.59
Stores consumed	46.35	45.24
Rent	28.38	26.33
Less: Recoveries	<u>7.83</u>	<u>8.13</u>
	20.55	18.20
Load dispatch centre charges	41.66	42.93
Repairs & maintenance		
Buildings	170.91	146.00
Plant & machinery		
Power stations	1,781.36	1,528.51
Construction equipments	<u>1.09</u>	<u>0.73</u>
	1,782.45	1,529.24
Others	105.91	93.67
Insurance	104.62	97.29
Interest payable to customers	5.72	(67.57)
Rates and taxes	33.54	23.84
Water cess & environment protection cess	35.44	25.50
Training & recruitment expenses	63.07	72.70
Less: fee for application and training	<u>1.56</u>	<u>1.31</u>
	61.51	71.39
Communication expenses	43.88	37.75
Travelling expenses	182.66	171.35
Tender expenses	21.46	21.71
Less: Receipt from sale of tenders	<u>2.96</u>	<u>2.22</u>
	18.50	19.49
Payment to auditors	3.01	2.74
Advertisement and publicity	13.31	12.23
Security expenses	327.23	290.96
Entertainment expenses	13.88	13.16
Expenses for guest house	18.94	16.40
Less: Recoveries	<u>2.67</u>	<u>2.18</u>
	16.27	14.22
Education expenses	9.31	10.02
Brokerage & commission	2.79	2.60
Community development and welfare expenses	84.79	58.32
Less: Grants-in-aid	<u>0.39</u>	<u>0.24</u>
	84.40	58.08
Donation	0.14	(0.10)
Ash utilisation & marketing expenses	5.20	4.22
Less: Sale of ash products	<u>0.04</u>	<u>0.06</u>
	5.16	4.16
Directors sitting fee	0.30	0.25
Books and periodicals	2.65	1.94
Professional charges and consultancy fee	28.40	30.19
Legal expenses	27.12	15.27
EDP hire and other charges	14.53	14.41
Printing and stationery	12.36	11.56
Oil & gas exploration expenses	8.78	14.34
Hiring of vehicles	55.23	47.08
Rebate to customers	521.71	632.87

26. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Reimbursement of L.C.charges on sales realisation	0.60	4.10
Bank charges	2.93	2.95
Net loss in foreign currency transactions & translations	5.07	35.31
Miscellaneous expenses	106.25	95.67
Stores written off	0.14	0.15
Survey & investigation expenses written off	2.37	7.05
Loss on disposal/write-off of fixed assets	59.91	58.40
	4,620.64	4,170.12
Less: Allocated to fuel cost	281.84	236.11
Transferred to development of coal mines	13.62	12.92
Transferred to deferred foreign currency fluctuation asset/liability	1.51	15.65
Transferred to expenditure during construction period (net) - Note 28	318.70	381.83
	4,004.97	3,523.61
Provisions for		
Tariff adjustments	103.24	-
Diminution in value of long term investments in subsidiary company	-	8.14
Diminution in value of long term investments in joint venture	1.04	-
Doubtful loans, advances and claims	0.09	0.05
Shortage in stores	1.34	0.88
Obsolescence in stores	4.66	10.39
Shortage in construction stores	0.13	0.26
Unserviceable capital work-in-progress	49.89	3.54
Unfinished minimum work programme for oil and gas exploration	5.08	41.19
Shortages in fixed assets	0.27	0.73
Others	40.51	-
	206.25	65.18
Total	4,211.22	3,588.79
a) Spares consumption included in repairs and maintenance	1,006.61	834.50
b) Details in respect of payment to auditors:		
As auditor		
Audit fee	1.00	0.85
Tax audit fee	0.35	0.30
Limited review	0.60	0.52
In other capacity		
Other services (certification fee)	0.35	0.33
Reimbursement of expenses	0.40	0.53
Reimbursement of service tax	0.31	0.21
Total	3.01	2.74

Payment to the auditors includes ₹ 0.24 crore (previous year ₹ 0.13 crore) relating to earlier year.

- c) CERC Regulations provides that where after the truing-up, the tariff recovered is more than the tariff approved by the Commission, the generating Company shall pay to the beneficiaries the over recovered amount along-with simple interest. Accordingly, the interest payable to the beneficiaries amounting to ₹ 5.72 crore (previous year (-) ₹ 67.57 crore) has been accounted and disclosed as 'Interest payable to customers'.

27. Prior period items (net)

₹ Crore

For the year ended	31.03.2013	31.03.2012
Revenue		
Sales	(0.03)	9.00
Others	1.88	0.81
	<u>1.85</u>	<u>9.81</u>
Expenditure		
Employee benefits expense	(5.13)	(322.05)
Finance costs		
Interest	(12.00)	(0.61)
Other borrowing costs	(7.91)	-
Depreciation and amortisation	(0.25)	(1.35)
Generation, administration and other expenses		
Repairs and maintenance	0.39	(0.21)
Professional consultancy charges	0.14	-
Communication expenses	0.04	0.04
Advertisement and publicity	0.12	-
Rates & taxes	(0.07)	0.09
Rent	(0.33)	0.90
Others	(12.96)	(1.43)
	<u>(37.96)</u>	<u>(324.62)</u>
Net expenditure/(revenue)	(39.81)	(334.43)
Less: Transferred to expenditure during construction period (net)- Note 28	(10.09)	(19.01)
Transferred to development of coal mines	-	(1.84)
Total	<u>(29.72)</u>	<u>(313.58)</u>

28. Expenditure during construction period (net)

₹ Crore

For the year ended	31.03.2013	31.03.2012
A. Employee benefits expense		
Salaries and wages	470.39	410.83
Contribution to provident and other funds	38.81	32.11
Staff welfare expenses	32.43	24.94
Total (A)	541.63	467.88
B. Finance costs		
Interest on		
Bonds	390.47	467.08
Foreign currency term loans	94.88	99.93
Rupee term loans	1,486.58	1,397.01
Foreign currency bonds/notes	222.88	104.91
Other borrowing costs		
Foreign currency bonds/notes expenses	5.54	10.47
Management/arrangers/upfront fee	36.24	20.77
Others	50.56	23.05
Exchange differences regarded as an adjustment to interest costs	(185.25)	185.25
Total (B)	2,101.90	2,308.47
C. Depreciation and amortisation	36.11	32.21
D. Generation, administration & other expenses		
Power charges	100.59	155.21
Less: Recovered from contractors & employees	1.60	1.76
	98.99	153.45
Water charges	10.76	47.77
Rent	5.27	4.21
Repairs & maintenance		
Buildings	6.81	7.18
Construction equipments	0.74	0.37
Others	22.73	14.58
	30.28	22.13
Insurance	1.48	1.23
Rates and taxes	0.84	2.40
Communication expenses	5.56	5.04
Travelling expenses	35.33	32.32
Tender expenses	5.78	4.46
Less: Income from sale of tenders	0.06	0.08
	5.72	4.38
Advertisement and publicity	1.49	0.85
Security expenses	43.82	39.38
Entertainment expenses	2.30	2.46
Guest house expenses	4.13	3.18
Education expenses	0.01	0.02

28. Expenditure during construction period (net)

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Books and periodicals	0.91	0.35
Community development expenses	7.46	2.59
Professional charges and consultancy fee	6.35	7.97
Legal expenses	5.15	1.94
EDP hire and other charges	1.22	1.20
Printing and stationery	1.17	1.28
Miscellaneous expenses	50.46	47.68
Total (D)	318.70	381.83
E. Less: Other income		
Hire charges	3.70	2.76
Sale of scrap	-	0.11
Interest from contractors	22.34	29.09
Interest others	0.87	0.60
Miscellaneous income	11.93	7.60
Total (E)	38.84	40.16
F. Prior period items (net)	(10.09)	(19.01)
Grand total (A+B+C+D-E+F)	2,949.41	3,131.22

* Carried to Capital work-in-progress - (Note 12)

29. Previous year figures have been regrouped /rearranged wherever considered necessary.
30. Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as other-wise stated. Certain amounts, which do not appear due to rounding off, are disclosed separately.
31. a) Some of the balances of trade/other payables and loans and advances 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 fixed assets 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.
32. Government of India, Ministry of Power vide its letters F.No.6/1/2007-Fin.(Vol.VIII) dated 5th February 2013 and 29th March 2013 directed Government of National Capital Territory of Delhi (GNCTD) to release payment towards settlement of dues of erstwhile Delhi Electric Supply Undertaking (DESU) amounting to ₹ 835.97 crore as principal and ₹ 1,684.11 crore as interest to the company. Consequently, provision for doubtful debt of ₹ 835.97 crore has been written back (Note 22) and interest of ₹ 1,684.11 crore has been recognised as an exceptional item in the Statement of Profit and Loss during the year.
33. Vide gazette notification F no.22021/1/2008-CRC/II dated 30.12.2011 issued by Ministry of Coal (MoC), grading and pricing of non-coking coal was migrated from Useful Heat Value (UHV) to Gross Calorific Value (GCV) based system w.e.f. 1st January 2012. The Coal Supply Agreements (CSAs) entered into by the Company were required to be amended to incorporate acceptable procedures for sample collection, preparation, testing and analysis, to facilitate such migration, which are still pending. The Company's Board of Directors approved payments to the coal companies based on the GCV based pricing system, and directed to frame modalities for implementation of GCV based grading system. Accordingly, modalities were framed to effect joint sampling and testing of coal at mine end/station end and future payments to coal companies. The above modalities were communicated to the coal companies w.e.f. October/ November 2012, thereafter the Company released payments on the basis of GCV measured at station end following the implementation of the said modalities since variation in the GCV of coal supplied and received at power stations was noticed. The Company regularly informed coal companies about this variation which has not been accepted by them. The issue has been taken up with the coal companies directly and through the MoP and MoC, GOI for resolution. Pending resolution of the issue, difference between the amount billed by the coal companies and the amounts admitted by the company is disclosed as contingent liability with corresponding possible reimbursements from the beneficiaries (Refer Note-50).
34. The levy of transit fee/entry tax on supplies of fuel to some of the power stations has been paid under protest as the matters are subjudice at various courts. In case the Company gets refund/demand from fuel suppliers/tax authorities on settlement of these cases, the same will be passed on to respective beneficiaries.
35. **Disclosure as per Accounting Standard - 5 'Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies'**
- i) Ministry of Corporate Affairs, Government of India through Circular no. 25/2012 dated 9th August 2012 has clarified that para 6 of Accounting Standard (AS) 11 and para 4 (e) of AS 16 shall not apply to a Company which is applying para 46-A of AS 11. Accordingly, Company has modified the related accounting policies. Consequently, exchange differences arising on settlement/translation of foreign currency loans to the extent regarded as an adjustment to interest costs as per para 4 (e) of AS 16 and hitherto charged to Statement of Profit and Loss, have now been adjusted in the cost of related assets. As a result, profit for the year ended 31st March 2013 is higher by ₹ 14.80 crore, fixed assets are higher by ₹ 173.56 crore and Deferred Income from Foreign Currency Fluctuation is higher by ₹ 158.76 crore.
- ii) During the year, the Company reviewed its policy for accounting of carpet coal which was hitherto charged to the Statement of Profit and Loss and capitalised the cost of carpet coal with the coal handling plant. Consequently, tangible assets and profit for the year are higher by ₹ 20.36 crore.
- iii) During the year, the Company has reviewed and modified the accounting policy related to amortisation of other intangible assets to bring more clarity. However, this does not have any impact on accounts for the year.
36. **Disclosure as per Accounting Standard - 11 on 'Effects of Changes in Foreign Exchange Rates'**
The effect of foreign exchange fluctuation during the year is as under:
- i) The amount of exchange differences (net) debited to the statement of profit & loss is **₹3.56 crore** (previous year ₹ 19.66 crore).
- ii) The amount of exchange differences (net) debited to the carrying amount of fixed assets is **₹1,056.01 crore** (previous year ₹ 1,661.21 crore).
37. **Disclosure as per Accounting Standard - 12 on 'Accounting for Government Grants'**
Revenue grants recognised during the year is **₹ 0.39 crore** (previous year ₹ 0.24 crore).

38. Disclosure as per Accounting Standard - 15 on 'Employee Benefits'

General description of various employee benefit schemes are as under:

A. Provident Fund

Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution of ₹ 192.88 crore (previous year ₹ 173.46 crore) to the funds for the year is recognised as expense and is charged to the statement of profit and loss. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary. The details of fair value of plan assets and obligations are as under:

Particulars	₹ Crore	
	31.03.2013	31.03.2012
Obligations at the end of the year	4,755.00	4118.35
Fair value of plan assets at the end of the year	4,812.77	4183.86

B. Gratuity & Pension

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.10 crore on superannuation, resignation, termination, disablement or on death.

The Company has a scheme of pension at one of the stations in respect of employees taken over from erstwhile state government power utility. In respect of other employees of the Company, pension scheme is yet to be implemented as stated in Note 10.

The existing schemes are funded by the Company and are managed by separate trusts. The liability for the same is recognised on the basis of actuarial valuation.

C. Post-Retirement Medical Facility (PRMF)

The Company has Post-Retirement Medical Facility (PRMF), under which a retired employee and his / her spouse are provided medical facilities in the Company hospitals/empanelled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company. The liability for the same is recognised on the basis of actuarial valuation.

D. Terminal Benefits

Terminal benefits include settlement at home town for employees & dependents and farewell gift to the superannuating employees. Further, the Company also provides for pension in respect of employees taken over from erstwhile State Government Power Utility at another station. The liability for the same is recognised on the basis of actuarial valuation.

E. Leave

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. 73.33 % of the earned leave is en-cashable while in service, and upto a maximum of 300 days on separation. Half-pay leave is en-cashable only on separation beyond the age of 50 years up to the maximum of 240 days (HPL). However, total amount of leave that can be encashed on superannuation shall be restricted to 300 days and no commutation of half-pay leave shall be permissible. The liability for the same is recognised on the basis of actuarial valuation.

The above mentioned schemes (C, D and E) are unfunded and are recognised on the basis of actuarial valuation.

The summarised position of various defined benefits recognised in the statement of profit and loss, balance sheet are as under:

(Figures given in { } are for previous year)

i) Expenses recognised in Statement of Profit & Loss

	₹ Crore			
	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Current service cost	65.23 {59.02}	13.81 {11.03}	50.12 {41.87}	5.55 {4.98}
Interest cost on benefit obligation	103.11 {100.75}	29.56 {26.49}	59.17 {55.40}	18.35 {16.35}
Expected return on plan assets	(92.84) {(82.34)}	- {-}	- {-}	- {-}
Net actuarial (gain)/ loss recognised in the year	48.14 {0.97}	51.03 {29.34}	184.16 {87.25}	30.21 {25.94}
Expenses transferred to capital work-in-progress	5.94 {6.68}	3.72 {3.60}	8.24 {18.01}	- {-}
Expenses recognised in the statement of profit & loss	117.70 {71.72}	90.68 {63.26}	285.21 {166.51}	54.11 {47.27}
Actual return on plan assets	102.20 {94.63}	- {-}	- {-}	- {-}

ii) The amount recognised in the Balance Sheet

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 31.03.2013	1,433.87 {1,288.86}	451.06 {369.49}	853.42 {739.57}	271.85 {229.34}
Fair value of plan assets as at 31.03.2013	1,256.05 {1,162.97}	- {-}	- {-}	- {-}
Net liability recognised in the balance sheet	177.82 {125.89}	451.06 {369.49}	853.42 {739.57}	271.85 {229.34}

iii) Changes in the present value of the defined benefit obligations:

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 01.04.2012	1,288.86 {1,185.28}	369.49 {311.67}	739.57 {651.90}	229.34 {192.29}
Interest cost	103.11 {100.75}	29.56 {26.49}	59.17 {55.40}	18.35 {16.35}
Current service cost	65.23 {59.02}	13.81 {11.03}	50.12 {41.87}	5.55 {4.98}
Benefits paid	(80.84) {(69.45)}	(12.83) {(9.04)}	-179.60 {(96.85)}	(11.60) {(10.22)}
Net actuarial (gain)/ loss on obligation	57.51 {13.26}	51.03 {29.34}	184.16 {87.25}	30.21 {25.94}
Present value of the defined benefit obligation as at 31.03.2013	1,433.87 {1,288.86}	451.06 {369.49}	853.42 {739.57}	271.85 {229.34}

iv) Changes in the fair value of plan assets:

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Fair value of plan assets as at 01.04.2012	1,162.97 {1,031.68}	- {-}	- {-}	- {-}
Expected return on plan assets	92.84 {82.34}	- {-}	- {-}	- {-}
Contributions by employer	67.22 {102.32}	- {-}	- {-}	- {-}
Benefit paid	(76.35) {(65.66)}	- {-}	- {-}	- {-}
Net actuarial gain/(loss)	9.37 {12.29}	- {-}	- {-}	- {-}
Fair value of plan assets as at 31.03.2013	1,256.05 {1,162.97}	- {-}	- {-}	- {-}

v) Other disclosures:

₹ Crore

Gratuity & pension	31.03.2013	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Present value of obligation as at the end of	1433.87	1288.86	1185.28	1065.02	1040.99
Fair value of plan assets as at the end of	1256.05	1162.97	1031.68	987.14	535.94
Surplus/(Deficit)	(177.82)	(125.89)	(153.60)	(77.88)	(505.05)
Experience adjustment on plan liabilities (loss)/gain	(50.04)	(18.87)	(59.49)	10.13	(21.04)
Experience adjustment on plan assets (loss)/gain	9.37	12.29	5.10	25.12	4.61

₹ Crore

PRMF	31.03.2013	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Present value of obligation as at the end of	451.06	369.49	311.67	244.39	213.29
Experience adjustment on plan liabilities (loss)/gain	(19.53)	(30.60)	(33.27)	(12.65)	(4.24)

₹ Crore

Leave	31.03.2013	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Present value of obligation as at the end of	853.42	739.57	651.90	585.07	647.94
Experience adjustment on plan liabilities (loss)/gain	(180.46)	(89.90)	(87.83)	(37.25)	(107.16)

₹ Crore

Terminal Benefits	31.03.2013	31.03.2012	31.03.2011	31.03.2010	31.03.2009
Present value of obligation as at the end of	271.85	229.34	192.29	167.47	125.51
Experience adjustment on plan liabilities (loss)/gain	(25.49)	(24.38)	(23.95)	(36.68)	(16.94)

vi) The effect of one percentage point increase/decrease in the medical cost of PRMF will be as under:

₹ Crore

	Increase by	Decrease by
Service and interest cost	5.72	(6.27)
Present value of obligation	73.42	(60.22)

F. Details of the Plan Assets

The details of the plan assets at cost are:

₹ Crore

	31.03.2013	31.03.2012
i) State government securities	337.46	273.43
ii) Central government securities	331.27	330.85
iii) Corporate bonds/debentures	465.84	417.27
iv) Money market instruments	7.50	5.97
v) Investment with insurance companies	76.34	104.34
vi) Fixed deposits with banks	5.16	5.44
Total	1,223.57	1,137.30

The amounts included in the value of plan assets in respect of the reporting enterprise's own financial instruments is ₹ 25.00 crore (previous year ₹ 25.00 crore).

G. Actual return on plan assets ₹ 102.20 crore (previous year ₹ 94.63 crore).

H. Other Employee Benefits

Provision for long service award and family economic rehabilitation scheme amounting to ₹ 3.36 crore (previous year ₹ 4.85 crore) for the year have been made on the basis of actuarial valuation at the year end and debited to the statement of profit & loss.

I. Actuarial Assumptions

Principal assumptions used for actuarial valuation for the year ended are:

	31.03.2013	31.03.2012
i) Method used	Projected Unit Credit Method	
ii) Discount rate	8.00%	8.50%
iii) Expected rate of return on assets:		
- Gratuity	8.00%	8.00%
- Pension	7.00%	7.00%
iv) Annual increase in costs	6.00%	6.00%
v) Future salary increase	6.00%	6.00%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Further, the expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

J. The Company's best estimate of the contribution towards gratuity/pension for the financial year 2013-14 is ₹ 44.81 crore.

39. Disclosure as per Accounting Standard - 16 on 'Borrowing Costs'

Borrowing costs capitalised during the year are ₹ 2,148.14 crore (previous year ₹ 2,342.21 crore).

40. Disclosure as per Accounting Standard - 17 on 'Segment Reporting'

Segment information:

a) Business segments

The Company's principal business is generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy, project management and supervision, oil and gas exploration and coal mining.

b) Segment revenue and expense

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

c) Segment assets and liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Construction work-in-progress, construction stores and advances are included in unallocated corporate and other assets. Segment liabilities include operating liabilities and provisions.

₹ Crore

	Business Segments				Total	
	Generation		Others		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year
Revenue :						
Sale of energy/consultancy, project management and supervision fee *	64,189.57	61,002.20	126.81	142.69	64,316.38	61,144.89
Other income**	3,347.88	1,113.31	1.65	3.36	3,349.53	1,116.67
Total	67,537.45	62,115.51	128.46	146.05	67,665.91	62,261.56
Segment result #	16,645.05	12,300.36	16.14	(19.46)	16,661.19	12,280.90
Unallocated corporate interest and other income					2,793.71	2,580.32
Unallocated corporate expenses, interest and finance charges					2,876.27	2,535.06
Profit before tax					16,578.63	12,326.16
Income tax (net)					3,959.24	3,102.43
Profit after tax					12,619.39	9,223.73
Other information						
Segment assets	81,719.33	64,642.77	340.02	220.52	82,059.35	64,863.29
Unallocated corporate and other assets					79,057.11	75,967.45
Total assets	81,719.33	64,642.77	340.02	220.52	1,61,116.46	1,40,830.74
Segment liabilities	10,715.15	8,235.50	295.06	167.53	11,010.21	8,403.03
Unallocated corporate and other liabilities					69,718.74	59,136.54
Total liabilities	10,715.15	8,235.50	295.06	167.53	80,728.95	67,539.57
Depreciation (including prior period)	3,358.94	2,753.31	0.24	0.17	3,359.18	2,753.48
Non-cash expenses other than depreciation	169.63	15.29	5.08	41.19	174.71	56.48
Capital expenditure	18,629.53	14,513.32	596.89	289.85	19,226.42	14,803.17

* Includes ₹ 1,487.94 crore (previous year ₹ 281.64 crore) for sales related to earlier years.

** Generation segment includes ₹ 1,684.11 crore (previous year Nil) towards exceptional items (Refer Note no.32).

Generation segment result would have been ₹ 15,157.11 crore (previous year ₹ 12,018.72 crore) without including the sales related to earlier years.

d) The operations of the Company are mainly carried out within the country and therefore, geographical segments are inapplicable.

41. Disclosure as per Accounting Standard - 18 on 'Related Party Disclosures'

a) Related parties:

i) Joint ventures:

Utility Powertech Ltd., NTPC-Alstom Power Services Private Ltd., BF-NTPC Energy Systems Ltd., Pan-Asian Renewables Private Ltd., Trincomalee Power Company Ltd. and Bangladesh -India Friendship Power Company Private Ltd.

ii) Key Management Personnel:

Shri Arup Roy Choudhury	Chairman and Managing Director
Shri A.K. Singhal	Director (Finance)
Shri I.J. Kapoor	Director (Commercial)
Shri.B.P.Singh	Director (Projects)
Shri D.K. Jain	Director (Technical) ¹
Shri S.P.Singh	Director (Human Resources) ²
Shri N.N.Misra	Director (Operations)
Shri A.K.Jha	Director (Technical) ³
Shri U.P.Pani	Director (Human Resources) ⁴

1. Superannuated on 30th June 2012

2. Superannuated on 28th February 2013

3. W.e.f. 1st July 2012

4. W.e.f. 1st March 2013

b) Transactions with the related parties at a (i) above are as follows:

Particulars	₹ Crore	
	Current year	Previous year
i) Transactions during the year		
• Contracts for works/services for services received by the Company:		
- Utility Powertech Ltd.	393.14	335.47
- NTPC-Alstom Power Services Private Ltd.	6.19	10.10
• Deputation of Employees:		
- Utility Powertech Ltd.	0.51	0.13
- NTPC-Alstom Power Services Private Ltd.	1.23	0.82
- Trincomalee Power Company Ltd.	0.82	0.15
- Pan-Asian Renewables Private Ltd.	0.13	-
ii) Dividend Received:		
- Utility Powertech Ltd.	4.00	3.00
- NTPC-Alstom Power Services Private Ltd.	0.36	0.30
iii) Amount recoverable for contracts for works/services received:		
- Utility Powertech Ltd.	0.22	0.94
- NTPC-Alstom Power Services Private Ltd.	0.04	0.04
iv) Amount payable for contracts for works/services received:		
- Utility Powertech Ltd.	64.27	48.83
- NTPC-Alstom Power Services Private Ltd.	7.86	10.44
v) Amount recoverable on account of deputation of employees:		
- Utility Powertech Ltd.	0.66	0.30
- NTPC-Alstom Power Services Private Ltd.	1.32	0.33
- Trincomalee Power Company Ltd.	0.97	0.15
- Pan-Asian Renewables Private Ltd.	0.13	-

The Company has received bank guarantees from Utility Powertech Ltd. for an amount of ₹ 6.35 crore (previous year ₹ 4.18 crore).

c) Remuneration to key management personnel for the year is ₹ 3.59 crore (previous year ₹ 2.79 crore) and amount of dues outstanding to the Company as on 31st March 2013 are ₹ 0.07 crore (previous year ₹ 0.08 crore).

₹ Crore

Managerial remuneration to Key management personnel	31.03.2013	31.3.2012
Shri Arup Roy Choudhury	0.54	0.35
Shri A.K. Singhal	0.55	0.47
Shri I.J. Kapoor	0.45	0.43
Shri.B.P.Singh	0.52	0.45
Shri D.K. Jain	0.38	0.42
Shri S.P.Singh	0.43	0.31
Shri N.N.Misra	0.44	0.36
Shri A.K.Jha	0.26	-
Shri U.P.Pani	0.02	-
Total	3.59	2.79

42. Disclosure as per Accounting Standard - 19 on 'Leases'**a) Finance leases**

The Company has taken on lease certain vehicles and has the option to purchase the vehicles as per terms of the lease agreements, details of which are as under:

₹ Crore

	31.03.2013	31.3.2012
a) Obligations towards minimum lease payments		
• Not later than one year	0.24	0.48
• Later than one year and not later than five years	0.05	0.22
• Later than five years	-	-
Total	0.29	0.70
b) Present value of (a) above		
• Not later than one year	0.22	0.43
• Later than one year and not later than five years	0.05	0.21
• Later than five years	-	-
Total	0.27	0.64
c) Finance charges	0.02	0.06

b) Operating leases

The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps for a period of one to two years. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note -24 - Employee benefits expense includes ₹ 76.38 crore (previous year ₹ 75.68 crore) towards lease payments (net of recoveries) in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps are included under 'Rent' in Note -26 - 'Generation, administration and other expenses'. Further, the Company has taken a helicopter on wet lease basis for a period of eleven years and the amount of lease charges is included in 'Miscellaneous expenses' in Note - 26.

43. Disclosure as per Accounting Standard - 20 on 'Earnings Per Share'

The elements considered for calculation of earning per share (Basic and Diluted) are as under:

	Current year	Previous year
Net profit after tax used as numerator - ₹ crore	12,619.39	9,223.73
Weighted average number of equity shares used as denominator	8,24,54,64,400	8,24,54,64,400
Earning per share (Basic and Diluted) - ₹	15.30	11.19
Nominal value per share - ₹	10/-	10/-

44. Disclosure as per Accounting Standard - 26 on 'Intangible Assets'

Research expenditure charged to revenue during the year is ₹ 91.85 crore (previous year ₹ 29.89 crore).

45. Disclosure as per Accounting Standard - 27 on 'Financial Reporting of Interest in Joint Ventures'

a) Joint Venture Entities:

Company	Proportion of ownership interest as on (excluding share application money)	
	31.03.2013 (%)	31.03.2012 (%)
A. Joint Ventures incorporated in India		
1. Utility Powertech Ltd.	50.00	50.00
2. NTPC - Alstom Power Services Private Ltd.	50.00	50.00
3. NTPC-SAIL Power Company Private Ltd.*	50.00	50.00
4. NTPC -Tamilnadu Energy Company Ltd.	50.00	50.00
5. Ratnagiri Gas and Power Private Ltd.*	33.41	31.52
6. Aravali Power Company Private Ltd.	50.00	50.00
7. NTPC - SCCL Global Ventures Private Ltd.*	50.00	50.00
8. Meja Urja Nigam Private Ltd.	50.00	50.00
9. NTPC - BHEL Power Projects Private Ltd.*	50.00	50.00
10. BF - NTPC Energy Systems Ltd.*	49.00	49.00
11. Nabinagar Power Generating Company Private Ltd.	50.00	50.00
12. National Power Exchange Ltd.*	16.67	16.67
13. International Coal Ventures Private Ltd.*	14.28	14.28
14. National High Power Test Laboratory Private Ltd.	20.00	25.00
15. Transformers & Electricals Kerala Ltd.	44.60	44.60
16. Energy Efficiency Services Ltd.*	25.00	25.00
17. CIL NTPC Urja Private Ltd.*	50.00	50.00
18. Anushakti Vidyut Nigam Ltd.*	49.00	49.00
19. Pan-Asian Renewables Private Ltd.*	50.00	50.00
B. Joint Ventures incorporated outside India		
1. Trincomalee Power Company Ltd.* (incorporated in Srilanka)	50.00	50.00
2. Bangladesh -India Friendship Power Company Private Ltd. [§] (incorporated in Bangladesh)	50.00	-

* The accounts are unaudited.

[§] No investment has been made as at 31st March 2013. Further, there were no financial transactions during the year.

The Company's share of the assets, liabilities, contingent liabilities and capital commitment as at 31st March 2013 and income and expenses for the year in respect of joint venture entities based on audited/unaudited accounts are given below:

	₹ Crore	
	31.03.2013	31.03.2012
A. Assets		
• Long term assets	14,424.69	12,314.73
• Current assets	1,961.71	1,978.68
Total	16,386.40	14,293.41
B. Liabilities		
• Long term liabilities	8,879.94	8,085.19
• Current liabilities and provisions	2,218.80	1,940.20
Total	11,098.74	10,025.39
C. Contingent liabilities	117.90	78.09
D. Capital commitments	6,800.18	1,848.88
	Current year	Previous year
E. Income	3,638.71	3,659.89
F. Expenses	3,477.21	3,022.44

b) Joint venture operations:

- i) The Company along-with some public sector undertakings has entered into Production Sharing Contracts (PSCs) with GOI for three exploration blocks namely KG- OSN-2009/1, KG-OSN-2009/4 and AN-DWN-2009/13 under VIII round of New Exploration Licensing Policy (NELP VIII) with 10% participating interest (PI) in each of the blocks.

Based on the un-audited statement of the accounts for the above blocks forwarded by M/s Oil & Natural Gas Corporation Ltd., the operator, the Company's share in respect of assets and liabilities as at 31st March 2013 and expenditure for the year are given below:

Item	₹ Crore	
	2012-13 (Un-audited)	2011-12 (Un-audited)
Expenses	2.28	3.61
Assets	0.06	0.03
Liabilities	1.43	0.95
Capital commitments (Unfinished MWP)	91.49	88.48

It is also informed that exploration activities in block KG-OSN-2009/4 has been suspended w.e.f. 11.01.2012 due to non clearance by Defence Ministry, GOI. Further in case of AN-DWN 2009/13, GSPC has submitted notice of withdrawal from the block subsequent to completion of minimum work programme and ONGC has decided to acquire 10% participating interest of GSPC.

- ii) Exploration activities in the block AA-ONN-2003/2 were abandoned in January 2011 due to unforeseen geological conditions & withdrawal of the operator. Attempts to reconstitute the consortium to accomplish the residual exploratory activities did not yield result. In the meanwhile, Ministry of Petroleum & Natural Gas demanded in January 2011 the cost of unfinished minimum work programme from the consortium with NTPC's share being USD 7.516 million. During the year provision in this respect has been updated to ₹ 46.27 crore from ₹ 41.19 crore along with interest in the previous year. The Company has sought waiver of the claim citing force majeure conditions at site leading to discontinuation of exploratory activities.

The Company has accounted for expenditure of ₹ 0.09 crore for the year 2012-13 towards the establishment expenses of M/s Geopetrol International, the operator to complete the winding up activities of the Block. The Company's share in the assets and liabilities as at 31st March 2013 and expenditure for the year is as under:

Item	₹ Crore	
	2012-13 (Un-audited)	2011-12 (Un-audited)
Expenses	0.22	0.18
Assets	14.64	14.64
Liabilities	2.32	2.10
Contingent liabilities	41.42	67.57

46. Disclosure as per Accounting Standard - 28 on 'Impairment of Assets'

As required by Accounting Standard (AS) 28 'Impairment of Assets' notified under the Companies (Accounting Standards) Rules, 2006, the Company has carried out the assessment of impairment of assets. Based on such assessment, there has been no impairment loss during the year.

47. Foreign currency exposure not hedged by a derivative instrument or otherwise:

Particulars	Currencies	Amount in Foreign Currency (Crore)		Amount (₹ Crore)	
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
Borrowings, including interest accrued but not due thereon.	USD	252.41	204.13	13,859.96	10,538.98
	JPY	4904.08	5337.26	2,872.81	3,378.49
	EURO	12.22	6.12	860.17	423.42
Trade payables/deposits and retention monies	USD	20.55	22.63	1,128.52	1,168.53
	EURO	7.60	11.37	535.15	786.62
	Others	35.76	30.64	23.98	34.96
Trade receivables and Bank balances	USD	0.01	0.02	0.78	0.82
	Others	0.50	-	0.30	-
Unexecuted amount of contracts remaining to be executed	USD	96.13	39.37	5,278.73	2,033.53
	EURO	65.79	20.75	4,632.92	1,435.51
	Others	899.21	34.55	612.84	51.55

The Company has formulated an Exchange Risk Management Policy with effect from 1st October 2012. In terms of the requirements of the said Policy and guidelines of the Reserve Bank of India, the Company is currently negotiating International Swaps and Derivatives Association (ISDA) agreements with Authorised Dealer banks. No derivative transactions have been undertaken during the year pending finalisation of ISDA agreements with the banks.

48. Information in respect of micro and small enterprises as at 31st March 2013 as required by Micro, Small and Medium Enterprises Development Act, 2006

₹ Crore

Particulars	Amount
a) Amount remaining unpaid to any supplier:	
Principal amount	17.55
Interest due thereon	0.02
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. (* ₹73,985/-)	*
d) Amount of interest accrued and remaining unpaid .(* ₹ 73,985/-)	*
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	-

49. Disclosure as required by Clause 32 of Listing Agreements:

A. Loans and Advances in the nature of Loans:

1. To Subsidiary Companies

₹ Crore

Name of the company	Outstanding balance as at		Maximum amount outstanding	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Kanti Bijlee Utpadan Nigam Ltd.	12.57	17.14	17.14	21.71
NTPC Hydro Ltd.	32.27	-	32.27	-
Total	44.84	17.14	49.41	21.71

2. To Firms/companies in which directors are interested : Nil

3. Where there is no repayment schedule or repayment beyond seven year or no interest or interest as per Section 372A of the Companies Act, 1956 : ₹ 44.84 crore

B. Investment by the loanee (as detailed above) in the shares of NTPC : Nil

50. Contingent Liabilities:

a) Claims against the company not acknowledged as debts in respect of:

(i) Capital Works

Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the Company for ₹ 3,966.11 crore (previous year ₹ 4,427.27 crore) seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the Company as being not admissible in terms of the provisions of the respective contracts.

The Company is pursuing various options under the dispute resolution mechanism available in the contracts for settlement of these claims. It is not practicable to make a realistic estimate of the outflow of resources if any, for settlement of such claims pending resolution.

(ii) Land compensation cases

In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹ 747.54 crore (previous year ₹ 1,173.58 crore) has been estimated.

(iii) Fuel Suppliers

Pending resolution of the issues with coal companies as disclosed in Note 33, payments and accounting of coal are being made based on GCV ascertained at station end. The difference between the amount billed by the coal companies and the payment released by the company amounts to ₹ 2,531.10 crore (previous year ₹ Nil).

Further, an amount of ₹ 367.73 crore (previous year ₹ 400.63 crore) towards surface transportation charges, customs duty on service margin on imported coal etc. has been disputed by the Company.

(iv) Others

In respect of claims made by various State/Central Government departments/Authorities towards building permission fee, penalty on diversion of agricultural land to non-agricultural use, nala tax, water royalty etc. and by others, contingent liability of ₹ 862.81 crore (previous year ₹ 877.47 crore) has been estimated.

(v) Possible Reimbursement

The contingent liabilities referred to in (i) above, include an amount of ₹ 961.24 crore (previous year ₹ 1,769.70 crore) relating to the hydro power project stated in Note 21 b) - Other current assets, for which Company envisages possible reimbursement from GOI in full. In respect of balance claims included in (i) and in respect of the claims mentioned at (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 Regulations subject to prudence check by the CERC. In case of (iii), the estimated possible reimbursement is by way of recovery through tariff as per Regulations, 2009 is ₹ 2,792.06 crore (previous year ₹ 283.45 crore).

b) Disputed Income Tax/Sales Tax/Excise Matters

Disputed Income Tax/Sales Tax/Excise matters pending before various Appellate Authorities amount to ₹ 1,547.61 crore (previous year ₹ 3,038.63 crore). Many of these matters were disposed off in favour of the Company but are disputed before higher authorities by the concerned departments. In such cases, the company estimate possible reimbursement of ₹ 365.19 crore (previous year ₹ 2,111.54 crore).

c) Others

Other contingent liabilities amount to ₹ 252.20 crore (previous year ₹ 316.93 crore).

Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

51. Capital and other commitments

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2013 is ₹ 48,905.56 crore (previous year ₹ 29,563.89 crore).
- b) In respect of investments of ₹ 3,850.15 crore (previous year ₹ 2,895.97 crore) in the joint venture entities, the Company has restrictions for their disposal ranging from two years to fifteen years from the date of incorporation/allotment of shares/commercial operation of the projects as the case may be.
- c) In respect of investments of ₹ 892.26 crore (previous year ₹ 866.61 crore) in the subsidiary Companies, the Company has restrictions for their disposal for five years from the date of commercial operation of the respective project.
- d) As at 31st March 2013, the Company has commitments of ₹ 4,041.86 crore (previous year ₹ 3,236.96 crore) towards further investment in the joint venture entities.
- e) As at 31st March 2013, the Company has commitments of ₹ 1,393.67 crore (previous year ₹ 1,419.32 crore) towards further investment in the subsidiary companies.
- f) Company's commitment towards the minimum work programme in respect of oil exploration activity of Cambay Block (100% owned by the company) is ₹ 183.45 crore (USD 33.73 million) (previous year ₹ 182.84 crore, USD 35.41 million).
- g) Company's commitment towards the minimum work programme in respect oil exploration activities of joint venture operations has been disclosed in Note - 45.
- h) Company's commitment in respect of further commitments relating to lease agreements has been disclosed in Note - 42.

52. Other disclosures as per Schedule VI of the Companies Act, 1956

₹ crore

Particulars		Current year	Previous year		
a) Value of imports calculated on CIF basis:					
Capital goods		1,009.05	880.34		
Spare parts		124.44	190.09		
b) Expenditure in foreign currency:					
Professional and consultancy fee		4.16	7.07		
Interest		625.38	390.03		
Others		5.52	14.44		
c) Value of components, stores and spare parts consumed (including fuel):		Current year		Previous year	
		%age	Amount	%age	Amount
Imported		10.86	4,570.55	18.69	7,942.77
Indigenous		89.14	37,500.66	81.31	34,572.43
		Current year		Previous year	
d) Earnings in foreign exchange:					
Professional & consultancy fee		2.15	2.48		
Others		0.10	0.28		

NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR 2011-12

1. Share capital

₹ Crore

As at	31.03.2012	31.03.2011
Equity share capital		
Authorised		
10,00,00,00,000 shares of par value ₹10/- each (previous year 10,00,00,00,000 shares of par value ₹10/- each)	<u>10,000.00</u>	<u>10,000.00</u>
Issued, subscribed and fully paid-up		
8,24,54,64,400 shares of par value ₹10/- each (previous year 8,24,54,64,400 shares of par value ₹10/- each)	<u>8,245.46</u>	<u>8,245.46</u>

- a) During the year, the Company has not issued/bought back any shares.
- b) The Company has only one class of equity shares having a par value ₹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.
- c) During the year ended 31st March 2012, the amount of per share dividend recognised as distribution to equity share holders was ₹4.00 (previous year ₹ 3.80).
- d) **Details of shareholders holding more than 5 % shares in the Company:**

Particulars	31.03.2012		31.03.2011	
	No. of shares	%age holding	No. of shares	%age holding
- Government of India	6967361180	84.50	6967361180	84.50
- Life Insurance Corporation of India	487167008	5.91	479752575	5.82

2. Reserves and surplus

	₹ Crore	
As at	31.03.2012	31.03.2011
Capital reserve		
As per last financial statements	151.88	144.74
Add : Transfer from surplus in the statement of profit & loss	0.44	6.87
Add : Grants received during the year	1.33	0.27
Less: Adjustments during the year	0.03	-
Closing balance	<u>153.62</u>	<u>151.88</u>
Securities premium account	<u>2,228.11</u>	<u>2,228.11</u>
Bonds redemption reserve		
As per last financial statements	2,231.66	1,986.72
Add : Transfer from surplus in the statement of profit & loss	482.38	494.94
Less: Transfer to surplus in the statement of profit & loss	325.00	250.00
Closing balance	<u>2,389.04</u>	<u>2,231.66</u>
General reserve		
As per last financial statements	55,002.80	49,802.80
Add : Transfer from surplus in the statement of profit & loss	5,200.00	5,200.00
Closing balance	<u>60,202.80</u>	<u>55,002.80</u>
Surplus in the statement of profit & loss		
As per last financial statements	32.34	29.59
Add: Profit for the year as per statement of profit & loss	9,223.73	9,102.59
Write back from bond redemption reserve	325.00	250.00
Less: Transfer to bond redemption reserve	482.38	494.94
Transfer to capital reserve	0.44	6.87
Transfer to general reserve	5,200.00	5,200.00
Dividend paid	2,885.92	2,473.63
Tax on dividend paid	465.09	410.84
Proposed dividend	412.27	659.63
Tax on proposed dividend	62.83	103.93
Net surplus	<u>72.14</u>	<u>32.34</u>
Total	<u><u>65,045.71</u></u>	<u><u>59,646.79</u></u>

- a) The Company has proposed final dividend for the year 2011-12 @ ₹ 0.50 per equity share of par value ₹ 10/- each (previous year ₹ 0.80 per equity share)

3. Deferred revenue

	₹ Crore	
As at	31.03.2012	31.03.2011
On account of advance against depreciation	718.47	792.05
On account of income from foreign currency fluctuation	711.59	62.43
Total	1,430.06	854.48

- a) Advance against depreciation (AAD) was an element of tariff provided under the Tariff Regulations for 2001-04 and 2004-09 to facilitate debt servicing by the generators since it was considered that depreciation recovered in the tariff considering a useful life of 25 years is not adequate for debt servicing. Though this amount is not repayable to the beneficiaries, keeping in view the matching principle, and in line with the opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI), this was treated as deferred revenue to the extent depreciation chargeable in the accounts is considered to be higher than the depreciation recoverable in tariff in future years. Since AAD is in the nature of deferred revenue and does not constitute a liability, it has been disclosed in this note separately from shareholder's funds and liabilities.
- b) In line with significant accounting policy no. L.2 and the revised CERC order for 2004-09, an amount of ₹ 34.39 crore (previous year ₹ 79.75 crore) has been recognized after reversal/deferment of revenue of ₹ 39.19 crore (previous year ₹ 11.55 crore) during the year from the AAD and included in energy sales (Note 22).
- c) 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 asset by corresponding credit to deferred income from foreign currency fluctuation in respect of the FERV on foreign currency loans or interest thereon adjusted in the cost of fixed assets, which is recoverable from the customers in future years as provided in accounting policy no. L.3. This amount will be recognized as revenue corresponding to the depreciation charge in future years. Since the amount does not constitute a liability to be discharged in future periods hence it has been disclosed in this note separately from shareholder's funds and liabilities.

4. Long-term borrowings

₹ Crore

As at	31.03.2012	31.03.2011
Bonds		
Secured		
8.48% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 1 st May 2023 (Seventeenth issue - private placement) ^I	50.00	50.00
9.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 25 th January 2023 and ending on 25 th January 2027 (Forty second issue - private placement) ^{III}	500.00	-
8.93% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 19 th January 2021 (Thirty seventh issue - private placement) ^{III}	300.00	300.00
8.73 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 31 st March 2020 (Thirty third issue-private placement) ^{III}	195.00	195.00
8.78 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 9 th March 2020 (Thirty first issue-private placement) ^{III}	500.00	500.00
11.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in five equal annual instalments commencing from 6 th Nov 2019 and ending on 6 th Nov 2023 (Twenty seventh issue - private placement) ^{III}	350.00	350.00
7.89% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 5 th May 2019 (Thirtieth issue - private placement) ^{III}	700.00	700.00
8.65% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th February 2019 (Twenty ninth issue - private placement) ^{III}	550.00	550.00
7.50% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 12 th January 2019 (Nineteenth issue - private placement) ^{II}	50.00	50.00
11% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 21 st November 2018 (Twenty eighth issue - private placement) ^{III}	1,000.00	1,000.00
8.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 10 th April 2018 (Sixteenth issue - private placement) ^I	100.00	100.00
9.2573% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 2 nd March 2018 and ending on 2 nd March 2032 (Forty third issue - private placement) ^{III}	75.00	-
9.6713 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 23 rd Decemeber 2017 and ending on 23 rd December 2031 (Forty first issue - private placement) ^{III} .	75.00	-
9.558 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 29 th July 2017 and ending on 29 th July 2031 (Fortieth issue - private placement) ⁴³⁷	75.00	-

4. Long-term borrowings

As at	31.03.2012	31.03.2011
9.3896% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 9 th June 2017 and ending on 9 th June 2031 (Thirty ninth issue - private placement) ^{III}	105.00	-
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 22 nd March 2017 and ending on 22 nd March 2031 (Thirty eighth issue - private placement) ^{III} Securitized during the current year.	75.00	75.00
8.8086% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th December 2016 and ending on 15 th December 2030 (Thirty sixth issue - private placement) ^{III}	75.00	75.00
8.785% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th September 2016 and ending on 15 th September 2030 (Thirty fifth issue - private placement) ^{III}	120.00	120.00
8.71% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 10 th June 2016 and ending on 10 th June 2030 (Thirty fourth issue - private placement) ^{III}	150.00	150.00
8.8493% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 25 th March 2016 and ending on 25 th March 2030 (Thirty second issue - private placement) ^{III}	105.00	105.00
9.37% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty fifth issue - private placement) ^{III}	428.50	500.00
9.06% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty sixth issue - private placement) ^{III}	428.50	500.00
8.6077% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 9 th September 2011 and ending on 9 th March 2021 (Twenty fourth issue - private placement) ^{IV}	400.00	450.00

4. Long-term borrowings

	₹ Crore	
As at	31.03.2012	31.03.2011
8.3796% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 5 th August 2011 and ending on 5 th February 2021 (Twenty third issue - private placement) ^{IV}	400.00	450.00
8.1771% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd July 2011 and ending on 2 nd January 2021 (Twenty second issue - private placement) ^{IV}	400.00	450.00
7.7125% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd August 2010 and ending on 2 nd February 2020 (Twenty first issue - private placement) ^V	700.00	800.00
7.552% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 23 rd September 2009 and ending on 23 rd March 2019 (Twentieth Issue - private placement) ^{VI}	300.00	350.00
5.95% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual instalments thereafter upto the end of 10 th year respectively from 15 th September 2003 (Eighteenth issue - private placement) ^{VII}	100.00	200.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each with ten equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of the 6 th year and in annual instalments thereafter upto the end of 15 th year respectively from 30 th April 2002 (Thirteenth issue - Part B - private placement) ^{VIII}	375.00	450.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each redeemable at par in ten equal annual instalments commencing from the end of 6 th year and upto the end of 15 th year respectively from 18 th April 2002 (Thirteenth issue -Part A - private placement) ^{VIII}	375.00	450.00
Foreign currency notes		
Unsecured		
5.625 % Fixed rate notes due for repayment on 14 th July 2021	2,581.50	-
5.875 % Fixed rate notes due for repayment on 2 nd March 2016	1,548.90	1,356.90
Term loans		
From banks		
Secured		
Foreign currency loan (guaranteed by GOI) ^{IX}	99.09	256.56
Unsecured		
Foreign currency loans (guaranteed by GOI)	2,999.49	2,763.23
Other foreign currency loans	5,799.66	5,387.81
Rupee loans	23,821.95	21,038.14
Deposits		
Unsecured		
Fixed deposits	0.47	12.39
Long term maturities of finance lease obligations (Secured)^X	0.21	0.65
Total	45,908.27	39,735.68

4. Long-term borrowings

a) Details of terms of repayment and rate of interest

₹ Crore

Particulars	Non current portion		Current portion	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Term loans				
From banks				
Secured				
Foreign currency loan (guaranteed by GOI)	99.09	256.56	186.38	157.91
Unsecured				
Foreign currency loans (guaranteed by GOI)	2,999.49	2,763.23	183.64	121.16
Other foreign currency loans	5,799.66	5,387.81	865.68	647.39
Rupee loans	23,821.95	21,038.14	2,430.18	1,874.67
Fixed deposits (unsecured)	0.47	12.39	11.79	0.87

- i) Secured foreign currency loan (guaranteed by the GOI) carries floating rate of interest linked to currency weighted LIBOR and is repayable in three semiannual installments as of 31st March 2012.
- ii) Unsecured foreign currency loans (guaranteed by the GOI) carry fixed rate of interest ranging from 1.80% p.a. to 2.30% p.a. and are repayable in twenty eight to thirty eight semiannual installments as of 31st March 2012.
- iii) Unsecured other foreign currency loans include loans of ₹ 1,290.35 crore (previous year ₹ 1,267.68 crore) which carry fixed rate of interest ranging from 3.85% p.a. to 4.31% p.a., loans of ₹ 5,186.32 crore (previous year ₹ 4,533.04 crore) which carry floating rate of interest linked to 6M LIBOR/6M EURIBOR and a loan of ₹ 188.67 crore (previous year ₹ 234.48 crore) which carry floating rate of interest linked to the cost of borrowings of the Multilateral Agency Lender. These loans are repayable in one to twenty eight semi-annual installments as of 31st March 2012 commencing after moratorium period if any, as per the respective loan agreements.
- iv) Unsecured rupee term loans carry interest ranging from 5.71 % to 12.75 % p.a. with monthly/quarterly/half-yearly/yearly rests. These loans are repayable in quarterly/half-yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of five to fifteen years after a moratorium period of six months to five years.
- v) Unsecured fixed deposits carry interest @ 6.75% to 8.00% p.a. payable quarterly/monthly for non-cumulative schemes and on maturity in case of cumulative schemes compounded quarterly. The deposits are repayable during a period of one to three years from the date of issue.
- b) The finance lease obligations are repayable in installments as per the terms of the respective lease agreements generally over a period of four years.
- c) There has been no defaults in repayment of any of the loans or interest thereon as at the end of the year.

Details of securities

- I Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to National Capital Power Station.
- II Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement.
- III Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Sipat Super Thermal Power Project by extension of charge already created.
- IV Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of the title deeds of the immovable properties pertaining to Sipat Super Thermal Power Project.
- V Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Barh Super Thermal Power Project on first pari-passu charge basis, ranking pari-passu with charge already created in favour of Trustee for other Series of Bonds and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Ramagundam Super Thermal Power Station by extension of charge already created.
- VI Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to Ramagundam Super Thermal Power Station.
- VII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to National Capital Power Station by extension of charge already created.
- VIII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Singrauli Super Thermal Power Station by extension of charge already created.
- IX Secured by English mortgage/hypothecation of all the present and future fixed and movable assets of Rihand Super Thermal Power Station as first charge, ranking pari-passu with charge already created, subject to however, Company's Banker's first charge on certain movable assets hypothecated to them for working capital requirement.
- X Secured against fixed assets obtained under finance lease.
- XI Security cover mentioned at sl. no. I to VIII is above 100% of the debt securities outstanding.

5. Deferred tax liabilities (net)

₹ Crore

	As at 01.04.2011	Additions/ (Adjustments) during the year	As at 31.03.2012
Deferred tax liability			
Difference of book depreciation and tax depreciation	6,082.92	(80.90)	6,002.02
Less: Deferred tax assets			
Provisions & other disallowances for tax purposes	1,205.52	(107.36)	1,098.16
Disallowances u/s 43B of the Income Tax Act, 1961	323.00	6.40	329.40
	<u>4,554.40</u>	<u>20.06</u>	<u>4,574.46</u>
Less: Recoverable from beneficiaries	3,951.45	(13.89)	3,937.56
Total	<u>602.95</u>	<u>33.95</u>	<u>636.90</u>

- a) The net increase during the year in the deferred tax liability of ₹ 33.95 crore (previous year ₹ 393.69 crore) has been debited to statement of profit & loss.
- b) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

6. Other long-term liabilities

₹ Crore

As at	31.03.2012	31.03.2011
Trade payables	5.07	9.15
Deferred foreign currency fluctuation liability	134.43	96.54
Other liabilities		
Payable for capital expenditure	1,589.28	1,941.94
Others	0.28	2.95
Total	1,729.06	2,050.58

- Disclosure w.r.t. micro and small enterprises as required by the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) is made in Note 47.
- In line with accounting policies no.L.3, deferred foreign currency fluctuation liability to the extent of ₹ 37.89 crore (previous year ₹ 35.49 crore) has been made during the year.
- Other liabilities - Others include deposits received from contractors, customers and parties towards sale of scrap etc.

7. Long-term provisions

₹ Crore

As at	31.03.2012	31.03.2011
Provision for employee benefits		
Opening balance	561.90	660.07
Additions/(adjustments) during the year	41.80	(98.17)
Total	<u>603.70</u>	<u>561.90</u>

a) Disclosure required by AS 15 on 'Employees benefits' has been made in Note 37.

8. Trade payables

	₹ Crore	
As at	31.03.2012	31.03.2011
For goods and services	<u>4,468.07</u>	<u>4,088.01</u>
Total	<u>4,468.07</u>	<u>4,088.01</u>

a) Disclosure w.r.t. micro and small enterprises as required by the MSMED Act is made in Note 47.

9. Other current liabilities

	₹ Crore	
As at	31.03.2012	31.03.2011
Current maturities of long term borrowings		
Secured		
Bonds	693.00	650.00
Foreign currency loan (guaranteed by GOI)	186.38	157.91
Unsecured		
Foreign currency loans (guaranteed by GOI)	183.64	121.16
Other foreign currency loans	865.68	647.39
Rupee term loans	2,430.18	1,874.67
Fixed deposits	11.79	0.87
Current maturities of finance lease obligations	0.43	0.56
Interest accrued but not due on borrowings	499.81	415.26
Unpaid dividends	11.48	10.25
Unpaid matured deposits and interest accrued thereon	0.17	0.18
Unpaid matured bonds and interest accrued thereon	0.59	0.60
Book overdraft	2.96	4.12
Advances from customers and others	289.16	482.76
Payable for capital expenditure	3,514.57	2,711.99
Other payables		
Tax deducted at source and other statutory dues	154.14	127.50
Others	710.97	557.28
Total	9,554.95	7,762.50

- a) Unpaid dividends, matured deposits and bonds including the interest accrued thereon include the amounts which have not been claimed by the investor/holders of the equity shares/bonds/fixed deposits. Out of the above, no amount is due for payment to investor education and protection fund.
- b) Details in respect of rate of interest and terms of repayment of secured and unsecured current maturities of long term borrowings indicated above are disclosed in Note 4.
- c) Other payables - Others include deposits received from contractors, customers and amounts payable to employees.
- d) Payable for capital expenditure includes the amount reimbursable to GOI in terms of public notice no.38 dated 5th November 1999 and public notice no.42 dated 10th October 2002 towards cash equivalent of the relevant deemed export benefits paid by GOI to the contractors for one of the stations amounting to ₹ 7.17 crore (previous year ₹ 7.17 crore). No interest has been provided on the reimbursable amount as there is no stipulation for payment of interest in the public notices cited above.
- e) Payable for capital expenditure includes liabilities towards equipment suppliers pending evaluation of performance and guarantee test results of steam/turbine generators at some of the stations. Pending settlement, liquidated damages recoverable for shortfall in performance of these equipments, if any, have not been recognised.

10. Short-term provisions

₹ Crore

As at	31.03.2012	31.03.2011
Provision for employee benefits		
Opening balance	1,170.07	1,374.50
Additions/(adjustments) during the year	(26.23)	(204.43)
Closing balance	1,143.84	1,170.07
Provision for proposed dividend		
Opening balance	659.63	659.63
Additions during the year	412.27	659.63
Amounts paid during the year	659.63	659.63
Closing balance	412.27	659.63
Provision for tax on proposed dividend		
Opening balance	103.93	107.23
Additions during the year	62.83	103.93
Amounts paid during the year	103.93	107.23
Closing balance	62.83	103.93
Provision for obligations incidental to land acquisition		
Opening balance	255.40	266.76
Additions during the year	124.40	13.79
Amounts paid during the year	25.20	19.78
Amounts reversed during the year	14.52	5.37
Closing balance	340.08	255.40
Provision for tariff adjustment		
Amounts adjusted during the year	1,526.45	-
Amounts reversed during the year	312.75	-
Closing balance	1,213.70	-
Provision for shortage in fixed assets pending investigation		
Opening balance	1.00	0.85
Additions during the year	0.74	0.64
Amounts adjusted during the year	0.07	0.03
Amounts reversed during the year	0.36	0.46
Closing balance	1.31	1.00
Others		
Opening balance	0.50	1.54
Additions during the year	41.19	0.10
Amounts reversed during the year	0.10	1.14
Closing balance	41.59	0.50
Total	3,215.62	2,190.53

a) Disclosure required by AS 15 on 'Employees Benefits' has been made in Note 37.

As at	31.03.2012	31.03.2011
b)	<p>In terms of guidelines of Department of Public Enterprises (DPE), Government of India (GOI), issued vide OM:2(70)/08-DPE(WC)-GL-XIV/08 dated 26.11.2008 and OM:2(70)/08-DPE(WC)-GL-VII/09 dated 02.04.2009, the defined contribution pension scheme formulated by the Company has been approved by the Ministry of Power, GOI, vide their letter dated 1st December 2011. The proposed scheme is under discussions with employees' representatives. Pending formation of the scheme, an amount of ₹ 174.55 crore (previous year ₹ 94.56 crore) for the year and ₹ 301.50 crore up to 31st March 2012 (upto the previous year ₹ 468.78 crore) has been provided and included in provision for employee benefits. During the year, a review of provision as at 1st April 2011 was carried out considering the requirement of above mentioned guidelines of DPE, and the excess over the requirement amounting to ₹ 341.83 crores was written back through Note 27 - 'Prior period items (net)'.</p>	
c)	<p>Other provisions include ₹ 41.19 crore (previous year ₹ Nil) towards cost of unfinished minimum work programme demanded by the Ministry of Petroleum and Natural Gas (MoP&NG) including interest thereon in relation to block AA-ONN-2003/2. Refer Note 44 b) ii).</p>	
d)	<p>Provision for tariff adjustment - amount adjusted during the year represent the amount transferred from 'Other current assets -Unbilled revenue' (Refer Note 21 d).</p>	

11. Tangible assets

	Gross Block				Depreciation/Amortisation				Net Block		₹ Crore
	As at	Additions	Deductions/ Adjustments	As at	Upto	For the year	Deductions/ Adjustments	Upto	As at	As at	
	01.04.2011			31.03.2012	01.04.2011			31.03.2012	31.03.2012	31.03.2011	
Land :											
(including development expenses)											
Freehold	1,861.67	206.13	(79.52)	2,147.32	-	-	-	-	2,147.32	1,861.67	
Leasehold	498.67	110.41	(40.97)	650.05	105.89	25.10	(0.65)	131.64	518.41	392.78	
Roads, bridges, culverts & helipads	514.12	1.55	(3.80)	519.47	153.74	26.26	-	180.00	339.47	360.38	
Building :											
Freehold											
Main plant	2,886.16	468.66	(38.87)	3,393.69	1,128.52	83.80	-	1,212.32	2,181.37	1,757.64	
Others	2,101.86	145.33	(23.51)	2,270.70	768.46	98.37	(0.29)	867.12	1,403.58	1,333.40	
Leasehold	50.57	-	0.39	50.18	22.02	2.78	0.15	24.65	25.53	28.55	
Temporary erection	29.75	4.44	3.80	30.39	29.75	1.30	1.02	30.03	0.36	-	
Water supply, drainage & sewerage system	588.99	12.65	(1.18)	602.82	272.79	20.31	(0.01)	293.11	309.71	316.20	
MGR track and signalling system	1,079.18	116.28	(42.59)	1,238.05	555.47	33.28	-	588.75	649.30	523.71	
Railway siding	289.37	87.43	(0.04)	376.84	136.87	16.81	-	153.68	223.16	152.50	
Earth dam reservoir	179.69	97.63	(0.13)	277.45	82.03	12.17	-	94.20	183.25	97.66	
Plant and equipment	60,769.90	5,981.06	(1,497.82)	68,248.78	29,248.84	2,705.56	70.54	31,883.86	36,364.92	31,521.06	
Furniture and fixtures	358.22	24.23	0.58	381.87	217.28	15.23	0.97	231.54	150.33	140.94	
Vehicles including speedboats											
Owned	11.07	1.18	0.59	11.66	5.67	0.64	0.58	5.73	5.93	5.40	
Leased	2.45	-	0.46	1.99	1.31	0.54	0.46	1.39	0.60	1.14	
Office equipment	123.86	17.44	2.03	139.27	65.19	8.00	1.91	71.28	67.99	58.67	
EDP, WP machines and satcom equipment	352.60	16.84	4.62	364.82	234.56	24.78	5.23	254.11	110.71	118.04	
Construction equipments	138.23	6.43	(0.22)	144.88	70.62	9.49	1.68	78.43	66.45	67.61	
Electrical installations	303.44	17.51	(0.39)	321.34	138.92	11.65	0.10	150.47	170.87	164.52	
Communication equipments	88.57	4.36	0.15	92.78	44.94	4.65	0.65	48.94	43.84	43.63	
Hospital Equipments	27.35	2.27	0.28	29.34	14.87	0.83	0.26	15.44	13.90	12.48	
Laboratory and workshop equipments	29.65	7.75	(0.21)	37.61	11.16	1.33	0.03	12.46	25.15	18.49	
Capital expenditure on assets not owned by the Company	171.21	6.74	(0.34)	178.29	120.75	15.22	-	135.97	42.32	50.46	
Assets of government	2.84	-	-	2.84	-	-	-	-	2.84	2.84	
Less: Grants from government	2.84	-	-	2.84	-	-	-	-	2.84	2.84	
Assets held for disposal valued at net book value or net realisable value whichever is less	2.14	0.03	0.17	2.00	-	-	-	-	2.00	2.14	
Total	<u>72,458.72</u>	<u>7,336.35</u>	<u>(1,716.52)</u>	<u>81,511.59</u>	<u>33,429.65</u>	<u>3,118.10</u>	<u>82.63</u>	<u>36,465.12</u>	<u>45,046.47</u>	<u>39,029.07</u>	
Previous year	66,749.74	5,039.53	(669.45)	72,458.72	32,024.30	2,619.52	1,214.17	33,429.65	39,029.07	34,725.44	

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

	Gross Block		Depreciation/Amortisation	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Disposal of assets	12.02	(0.37)	6.86	-
Retirement of assets	195.68	163.13	76.96	81
Cost adjustments including exchange differences	(1,912.42)	(806.08)	-	-
Assets capitalised with retrospective effect/write back of excess capitalisation	(17.48)	(39.11)	(4.83)	1,121.77
Others	5.68	12.98	3.64	11.40
	<u>(1,716.52)</u>	<u>(669.45)</u>	<u>82.63</u>	<u>1,214.17</u>

- a) The conveyancing of the title to **10,359 acres** of freehold land of value **₹ 527.91 crore** (previous year 11,043 acres of value ₹ 538.18 crore), buildings & structures of value **₹ 136.60 crore** (previous year ₹ 135.58 crore) and also execution of lease agreements for **8,425 acres** of land of value **₹ 324.76 crore** (previous year 8,995 acres, value ₹ 252.51 crore) in favour of the Company are awaiting completion of legal formalities.
- b) Leasehold land includes **819 acres** valuing **₹ 29.67 crore** (previous year 819 acres valuing ₹ 29.67 crore) acquired on perpetual lease and accordingly not amortised.
- c) Land does not include value of **1,192 acres** (previous year 1,181 acres) of land in possession of the Company. This will be accounted for on settlement of the price thereof by the State Government Authorities.
- d) Land includes **1,237 acres** of value **₹ 14.90 crore** (previous year 1,245 acres of value ₹ 15.03 crore) not in possession of the Company. The Company is taking appropriate steps for repossession of the same.
- e) Land includes an amount of **₹ 119.24 crore** (previous year ₹ 118.74 crore) deposited with various authorities in respect of land in possession which is subject to adjustment on final determination of price.
- f) Possession of land measuring **98 acres** (previous year 98 acres) consisting of **79 acres** of freehold land (previous year 79 acres) and **19 acres** of lease hold land (previous year 19 acres) of value **₹ 0.21 crore** (previous year ₹ 0.21 crore) was transferred to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (erstwhile UPSEB) for a consideration of **₹ 0.21 crore**. Pending approval for transfer of the said land, the area and value of this land has been included in the total land of the Company. The consideration received from erstwhile UPSEB is disclosed under Note -9 - 'Other Current Liabilities -as other liabilities'.
- g) The Company is executing a thermal power project in respect of which possession certificates for **1,489 acres** (previous year 1,489 acres) of land has been handed over to the Company and all statutory and environment clearances for the project have been received. Subsequently, a high power committee has been constituted as per the directions of GOI to explore alternate location of the project since present location is stated to be a coal bearing area. During the year, the High Power Committee has recommended to the Group of Ministers not to shift the present location of the plant. Aggregate cost incurred up to 31st March 2012, **₹ 194.45 crore** (previous year ₹ 190.19 crore) is included in tangible assets/CWIP and long-term loans & advances.
- h) Ministry of Power, Government of India vide its notification no. 2/38/99-BTPS (Volume VII) dated 22nd September 2006 transferred land of a power station to the Company on operating lease of 50 years. Lease rent for the year amounting to **₹ 6.18 crore** (previous year ₹ 6.13 crore) has been charged to the statement of profit & loss.
- i) The Company has received an opinion from the EAC of the ICAI on accounting treatment of capital expenditure on assets not owned by the Company wherein it was opined that such expenditure are to be charged to the statement of profit & loss as and when incurred. The Company has represented that such expenditure being essential for setting up of a project, the same be accounted in line with the existing accounting practice and sought a review. Pending receipt of communication from ICAI regarding the review, existing treatment has been continued as per the relevant accounting policy.
- j) From the accounting periods commencing on or after 7th December 2006, the Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items relating to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset.
- k) The borrowing costs capitalised during the year ended 31st March 2012 is **₹ 2,342.21 crore** (previous year ₹ 1,742.69 crore). The Company capitalised the borrowings costs in the capital work-in-progress (CWIP). Similarly, exchange differences for the year are disclosed in the 'Addition' column of CWIP and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustment' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustment' column of fixed assets. Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of fixed assets and CWIP through 'Addition' or 'Deductions/Adjustment' column are given below:

	For the year ended 31st March 2012		For the year ended 31st March 2011	
	Exchg. Difference. incl in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP	Exchg. Difference. incl in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP
Building :				
Main plant	26.94	63.76	13.77	83.92
Others	3.73	34.07	1.54	14.59

Hydrolic works, barrages, dams, tunnels and power channel	-	238.53	-	119.04
MGR track and signalling system	1.54	7.84	-	2.93
Railway siding	0.03	5.27	0.02	4.09
Plant and equipment	1,026.74	1,724.97	165.40	1,327.84
Others including pending allocation	602.23	267.77	(12.45)	190.28
Total	1,661.21	2,342.21	168.28	1,742.69

Intangible assets

₹ Crore

	Gross Block			As at 31.03.2012	Amortisation			Upto 31.03.2012	Net Block	
	As at 01.04.2011	Additions	Deductions/ Adjustments		Upto 01.04.2011	For the year	Deductions/ Adjustments		As at 31.03.2012	As at 31.03.2011
Software	90.45	2.65	(0.05)	93.15	81.59	6.84	0.01	88.42	4.73	8.86
Right of Use - Land	6.46	-	-	6.46	1.29	1.16	-	2.45	4.01	5.17
- Others	199.52	-	(19.54)	219.06	6.66	8.47	(0.78)	15.91	203.15	192.86
Total	296.43	2.65	(19.59)	318.67	89.54	16.47	(0.77)	106.78	211.89	206.89
Previous year	100.33	106.89	(89.21)	296.43	64.48	24.28	(0.78)	89.54	206.89	35.85

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

	Gross Block		Depreciation / Amortisation	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Retirement of assets	0.17	0.37	(0.17)	-
Cost adjustments including exchange differences	(19.54)	(0.07)	(0.78)	-
Assets capitalised with retrospective effect/write back of excess capitalisation	-	(89.41)	-	(0.69)
Others	(0.22)	(0.10)	0.18	(0.09)
	(19.59)	(89.21)	(0.77)	(0.78)

- a) The right of use of land, other than perpetual in nature, is amortised over its life.
- b) Cost of acquisition of the right for drawl of water amounting to ₹ 219.06 crore (previous year ₹ 199.52 crore) is included under intangible assets – Right of Use - Others. The right to draw water is amortized considering the life period of 25 years as per the rates and methodology notified by Regulations, 2009.

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

	31.03.2012	31.03.2011
Charged to statement of Profit & Loss	2,791.70	2,485.69
Allocated to fuel cost	166.84	124.87
Transferred to expenditure during construction period (net) - Note 28	32.21	24.77
Transferred to development of coal mines	0.98	0.52
Adjustment with deferred income/expense from deferred foreign currency fluctuation	142.84	7.95
	3,134.57	2,643.80

12. Capital work-in-progress

₹ Crore

	As at 01.04.2011	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2012
Development of land	408.24	43.25	11.62	0.29	439.58
Roads, bridges, culverts & helipads	18.33	50.10	4.32	1.55	62.56
Piling and foundation	505.24	35.71			540.95
Buildings :					
Main plant	2,404.82	664.67	72.77	468.66	2,528.06
Others	384.22	232.84	(20.09)	138.81	498.34
Temporary erection	7.49	8.75	2.40	4.44	9.40
Water supply, drainage and sewerage system	53.04	24.19	2.24	10.44	64.55
Hydraulic works, barrages, dams, tunnels and power channel	2,513.28	918.84			3,432.12
MGR track and signalling system	241.22	103.88	42.55	116.28	186.27
Railway siding	154.33	158.12	6.84	87.43	218.18
Earth dam reservoir	119.45	21.39	-	97.63	43.21
Plant and equipment	25,830.16	10,812.22	599.01	5,787.90	30,255.47
Furniture and fixtures	6.48	3.40	1.45	2.63	5.80
Vehicles	0.18	-	0.01	-	0.17
Office equipment	2.36	0.26	(2.89)	0.56	4.95
EDP/WP machines & satcom equipment	2.22	0.93	0.61	2.33	0.21
Construction equipments	0.18	-	0.11		0.07
Electrical installations	114.06	76.03	0.78	16.97	172.34
Communication equipment	0.27	1.77	(0.32)	0.62	1.74
Hospital equipments	0.19	-	(0.19)		0.38
Laboratory and workshop equipments	2.24	-	0.78	-	1.46
Assets under 5 KM scheme of the GOI	-	2.24	-	-	2.24
Capital expenditure on assets not owned by the company	12.74	6.47	0.43	6.74	12.04
Exploratory wells-in-progress	7.65	0.01	-	-	7.66
Development of coal mines	195.05	84.69			279.74
	<u>32,983.44</u>	<u>13,249.76</u>	<u>722.43</u>	<u>6,743.28</u>	<u>38,767.49</u>
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	82.33	15.26	2.24		95.35
Difference in exchange on foreign currency loans	(280.32)	937.48	28.48	-	628.68
Expenditure towards diversion of forest land	153.56	10.45	-	-	164.01
Pre-commissioning expenses (net)	54.16	244.24	107.47	-	190.93
Expenditure during construction period (net)	352.05	3,131.22	* 21.35	-	3,461.92
Less: Allocated to related works		<u>3,262.65</u>			<u>3,262.65</u>
	<u>33,345.22</u>	<u>14,325.76</u>	<u>881.97</u>	<u>6,743.28</u>	<u>40,045.73</u>
Less: Provision for unserviceable works	18.91	3.53		-	22.44
Construction stores (net of provision)	<u>2,168.99</u>	<u>-</u>	<u>364.46</u>	<u>-</u>	<u>1,804.53</u>
Total	<u><u>35,495.30</u></u>	<u><u>14,322.23</u></u>	<u><u>1,246.43</u></u>	<u><u>6,743.28</u></u>	<u><u>41,827.82</u></u>
Previous year	28,699.86	12,730.47	1,201.54	4,733.49	35,495.30

* Brought from expenditure during construction period (net) - Note 28

- Construction stores are net of provision for shortages pending investigation amounting to ₹ 1.28 crore (previous year ₹ 1.44 crore)
- The pre-commissioning expenses during the year amounting to ₹ 549.35 crore (previous year ₹ 112.75 crore) have been included in tangible assets/capital work-in-progress after adjustment of pre-commissioning sales of ₹ 305.11 crore (previous year ₹ 34.96 crore) resulting in a net pre-commissioning expenditure of ₹ 244.24 crore (previous year ₹ 77.79 crore).
- Additions to the development of coal mines includes expenditure during construction period of ₹ 84.69 crore (previous year ₹ 59.24 crore).
- Assets under 5 KM scheme of the GOI:**

Ministry of Power has launched a scheme for electrification of villages within 5 km periphery of generation plants of Central Public Sector Undertakings (CPSUs) for providing reliable and quality power to the project affected people. The scheme provides free electricity connections to below poverty line (BPL) households. The scheme will cover all existing and upcoming power plants of CPSUs. The cost of the scheme will be borne by the CPSU to which the plant belongs. This cost will be booked by the CPSU under the project cost and will be considered by the CERC for determination of tariff.

₹ Crore

	As at 01.04.2011	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2012
INTANGIBLE ASSETS UNDER DEVELOPMENT					
Software	0.03	0.01	-	-	0.04
Total	<u>0.03</u>	<u>0.01</u>	<u>-</u>	<u>-</u>	<u>0.04</u>
Previous year	0.55	-	0.52	-	0.03

13. Non-current Investments

₹ Crore

As at	31.03.2012	31.03.2011
	Number of shares/bonds/ securities	Face value share/bond/ security
	Current year/ (previous year)	Current year/ (previous year) (₹)
Long term - Trade		
Equity instruments (fully paid up - unless otherwise stated)		
Quoted		
Joint venture companies		
PTC India Ltd.	12000000 (12000000)	10 (10)
		12.00
		12.00
Unquoted		
Subsidiary companies		
NTPC Electric Supply Company Ltd.	80910 (80910)	10 (10)
		0.08
NTPC Vidyut Vyapar Nigam Ltd.	20000000 (20000000)	10 (10)
		20.00
NTPC Hydro Ltd.	121359500 (113959500)	10 (10)
		121.36
Less: Provision for permanent diminution		8.14
		113.22
		113.96
Kanti Bijlee Utpadan Nigam Ltd.	342738200 (57151000)	10 (10)
		342.74
Bhartiya Rail Bijlee Company Ltd.	509460000 (355200000)	10 (10)
		509.46
		985.50
		546.39
Share application money pending allotment in		
NTPC Hydro Ltd.		0.20
		0.50
Kanti Bijlee Utpadan Nigam Ltd.		14.41
		164.73
Bhartiya Rail Bijlee Company Ltd. (*₹ 39,000/-)		*
		154.26
		14.61
		319.49
Joint venture companies		
Utility Powertech Ltd. (includes 1,000,000 bonus shares)	2000000 (2000000)	10 (10)
		1.00
		1.00
NTPC-Alstom Power Services Private Ltd.	3000000 (3000000)	10 (10)
		3.00
		3.00
NTPC-SAIL Power Company Private Ltd.	475250050 (475250050)	10 (10)
		475.25
		475.25
NTPC-Tamil Nadu Energy Company Ltd.	844000000 (581000000)	10 (10)
		844.00
		581.00
Ratnagiri Gas & Power Private Ltd.	776900000 (692900000)	10 (10)
		776.90
		692.90
Aravali Power Company Private Ltd.	1089508200 (658524200)	10 (10)
		1,089.51
		658.52
NTPC-SCCL Global Ventures Private Ltd.	50000 (50000)	10 (10)
		0.05
		0.05
NTPC BHEL Power Projects Private Ltd.	25000000 (25000000)	10 (10)
		25.00
		25.00
Meja Urja Nigam Private Limited	107429800 (73429800)	10 (10)
		107.43
		73.43
BF-NTPC Energy Systems Ltd.	5880000 (5880000)	10 (10)
		5.88
		5.88
National Power Exchange Ltd.	2188325 (2188325)	10 (10)
		2.19
		2.19

As at			31.03.2012	31.03.2011
	Number of shares/bonds/ securities	Face value share/bond/ security		
	Current year/ (previous year)	Current year/ (previous year) (₹)		
Nabinagar Power Generating Company Private Ltd.	15300000 (15300000)	10 (10)	153.00	153.00
Transformers and Electricals Kerala Ltd.	19163438 (19163438)	10 (10)	31.34	31.34
National High Power Test Labortory Private Ltd.	2625000 (2625000)	10 (10)	2.62	2.62
International Coal Ventures Private Ltd.	1400000 (1400000)	10 (10)	1.40	1.40
Energy Efficiency Services Ltd.	625000 (625000)	10 (10)	0.63	0.63
CIL NTPC Urja Private Ltd.	25000 (-)	10 (-)	0.03	-
Anushakti Vidhyut Nigam Ltd.	49000 (-)	10 (-)	0.05	-
Pan-Asian Renewables Private Ltd.	500000 (-)	10 (-)	0.50	-
Trincomalee Power Company Ltd. Srilankan rupees)	(* 1500000 (-)	100* (-)	6.72	-
			3,526.50	2,707.21
Share application money pending allotment in				
NTPC-Tamilnadu Energy Company Ltd.			55.00	60.00
Aravali Power Company Private Ltd. (* ₹ 60,000/-)			*	318.96
Meja Urja Nigam Private Ltd.			5.00	11.00
Nabinagar Power Generating Company Pvt. Ltd.			50.00	-
CIL NTPC Urja Private Ltd.			0.05	0.08
Energy Efficiency Services Ltd.			24.38	24.38
			134.43	414.42
Cooperative societies			*	*
Bonds (fully-paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of^(b)				
Andhra Pradesh	3781950 (5042600)	1000 (1000)	378.20	504.26
Assam	154392 (205856)	1000 (1000)	15.44	20.58
Bihar	5683200 (7577600)	1000 (1000)	568.32	757.76
Chattisgarh	1449660 (1932880)	1000 (1000)	144.97	193.29
Gujarat	2511720 (3348960)	1000 (1000)	251.17	334.90
Haryana	3225000 (4300000)	1000 (1000)	322.50	430.00
Himachal Pradesh	100164 (133552)	1000 (1000)	10.02	13.35
Jammu and Kashmir	1102080 (1469440)	1000 (1000)	110.21	146.94
Jharkhand	2880376 (3840496)	1000 (1000)	288.04	384.05
Kerala	3007200 (4009600)	1000 (1000)	300.72	400.96
Madhya Pradesh	2492520 (3323360)	1000 (1000)	249.25	332.34
Maharashtra	1144200 (1525600)	1000 (1000)	114.42	152.56
Orissa	3308622 (4411496)	1000 (1000)	330.86	441.15

As at			31.03.2012	31.03.2011
	Number of shares/bonds/ securities	Face value share/bond/ security		
	Current year/ (previous year)	Current year/ (previous year) (₹)		
Punjab	1038690 (1384920)	1000 (1000)	103.87	138.49
Rajasthan	435000 (435000)	1000 (1000)	43.50	43.50
Sikkim	102588 (136784)	1000 (1000)	10.26	13.68
Uttar Pradesh	11969700 (15959600)	1000 (1000)	1,196.97	1,595.96
Uttaranchal	1198950 (1598600)	1000 (1000)	119.89	159.86
West Bengal	3522744 (4696992)	1000 (1000)	352.27	469.70
			4,910.88	6,533.33
Total			9,583.92	10,532.84
Aggregate amount of quoted investments				
Book value			12.00	12.00
Market value			73.32	100.92
Aggregate amount of unquoted investments				
Book value			9,571.92	10,520.84
Aggregate amount of provision for diminution in the value of investments			8.14	-

* Equity shares of ₹ 30,200/- (previous year ₹ 30,200/-) held in various Company's employees co-operative societies.

- a) Investments have been valued considering the accounting policy no.J .
- b) Includes bonds of ₹ **4,910.88 crore** (previous year ₹ 4,881.87 crore) permitted for transfer/trading by Reserve Bank of India. Balance can be transferred/traded subject to prior approval of Reserve Bank of India.
- c) During the year, the Board of Directors of the Company has accorded in principle approval for the amalgamation of NTPC Hydro Ltd. (a wholly owned subsidiary of the Company) with the Company. Pending approval of Scheme of amalgamation, provision of ₹ 8.14 crore towards the permanent diminution in the value of investment in NTPC Hydro Ltd. has been made.

14. Long-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2012	31.03.2011
CAPITAL ADVANCES		
Secured	17.24	17.36
Unsecured		
Covered by bank guarantee	1,059.69	1,673.50
Others	1,664.48	1,084.44
Considered doubtful	2.19	2.21
Less: Allowance for bad & doubtful advances	2.19	2.21
	2,741.41	2,775.30
SECURITY DEPOSITS (Unsecured)	207.51	126.08
LOANS		
Related parties		
Unsecured	0.05	0.07
Employees (including accrued interest)		
Secured	377.60	303.17
Unsecured	136.94	171.16
Loan to state government in settlement of dues from customers (Unsecured)	335.04	478.63
Others		
Secured	34.85	46.57
	884.48	999.60
ADVANCES		
Contractors & suppliers, including material issued on loan		
Unsecured	49.86	0.98
Total	3,883.26	3,901.96
a) Due from directors and officers of the Company		
Directors	0.05	0.07
Officers	83.30	68.18
b) Loans to related parties include:		
Key management personnel	0.05	0.07
c) Capital advances include amount due from related parties ₹ 0.08 crore (previous year ₹ 0.90 crore)		
d) Other loans represent loans of ₹ 21.42 crore (previous year ₹ 28.57 crore) given to Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC) and ₹ 13.43 crore (previous year ₹ 18.00 crore) to Kanti Bijlee Utpadan Nigam Ltd.		

15. Other non-current assets

	₹ Crore	
As at	31.03.2012	31.03.2011
Deferred foreign currency fluctuation asset	<u>1,371.88</u>	<u>459.15</u>
	<u><u>1,371.88</u></u>	<u><u>459.15</u></u>

In line with accounting policies no.L.3, deferred foreign currency fluctuation asset has been accounted and **₹ 129.78 crore** (previous year (-) ₹ 1.54 crore) being exchange fluctuations on account of interest and finance charges has been recognised as energy sales in Note 22.

16. Current investments

As at			₹ Crore	
			31.03.2012	31.03.2011
	Number of bonds/ securities	Face value per bond/ security	Current year/ (previous year) (₹)	Current year/ (previous year) (₹)
Trade				
Current maturities of long term investments				
Bonds (fully-paid up)				
Unquoted				
8.50 % Tax-Free State Government Special				
Bonds of the Government of ^(c)				
Andhra Pradesh	1260650 (1260650)	1000 (1000)	126.07	126.07
Assam	51464 (51464)	1000 (1000)	5.15	5.15
Bihar	1894400 (1894400)	1000 (1000)	189.44	189.44
Chattisgarh	483220 (483220)	1000 (1000)	48.32	48.32
Gujarat	837240 (837240)	1000 (1000)	83.73	83.73
Haryana	1075000 (1075000)	1000 (1000)	107.50	107.50
Himachal Pradesh	33388 (33388)	1000 (1000)	3.34	3.34
Jammu and Kashmir	367360 (367360)	1000 (1000)	36.74	36.74
Jharkhand	960120 (960120)	1000 (1000)	96.01	96.01
Kerala	1002400 (1002400)	1000 (1000)	100.24	100.24
Madhya Pradesh	830840 (830840)	1000 (1000)	83.08	83.08
Maharashtra	381400 (381400)	1000 (1000)	38.14	38.14
Orissa	1102874 (1102874)	1000 (1000)	110.29	110.29
Punjab	346230 (346230)	1000 (1000)	34.62	34.62
Rajasthan	- (145000)	- (1000)	-	14.50
Sikkim	34196 (34196)	1000 (1000)	3.42	3.42
Uttar Pradesh	3989900 (3989900)	1000 (1000)	398.99	398.99
Uttaranchal	399650 (399650)	1000 (1000)	39.96	39.96
West Bengal	1174248 (1174248)	1000 (1000)	117.42	117.42
Sub-Total			1,622.46	1,636.96
Investment in mutual funds (unquoted)				
Canara Robeco Liquid Fund - Super IP-DDR			-	175.04
Total			1,622.46	1,812.00
Aggregate amount of unquoted investments				
Book value			1,622.46	1,812.00

- Investments have been valued considering the accounting policy no.J.
- The above investments are unquoted and hence market value is not applicable.
- Includes bonds of ₹ 1,622.46 crore (previous year ₹ 1,636.96 crore) permitted for transfer/trading by Reserve Bank of India.
- Super IP-DDR is the nature of the scheme. IP-DDR stands for Institutional Plan - Daily Dividend Reinvestment

17. Inventories

	₹ Crore	
As at	31.03.2012	31.03.2011
Coal	1,096.14	1,255.50
Fuel oil	234.65	191.22
Naphtha	119.04	117.37
Stores and spares	1,899.57	1,741.25
Chemicals & consumables	44.47	45.81
Loose tools	5.65	5.48
Steel scrap	16.54	16.50
Others	347.35	319.03
	3,763.41	3,692.16
Less: Provision for shortages	1.86	2.34
Provision for obsolete/unserviceable items/ diminution in value of surplus inventory	58.70	50.70
Total	3,702.85	3,639.12
Inventories include material-in-transit		
Coal	83.15	47.01
Components and spares	28.00	33.69
Chemicals & consumables	0.09	0.08
Loose tools	0.16	0.34
Others	1.43	1.24
	112.83	82.36

- a) Inventory items, other than steel scrap and material-in-transit, have been valued considering the accounting policy no.K.1. Steel scrap has been valued at estimated realisable value. Material-in-transit has been valued at cost.
- b) Inventories - Others include items of steel, cement, ash bricks etc.

18. Trade receivables

	₹ Crore	
As at	31.03.2012	31.03.2011
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	18.61	4.35
Considered doubtful	840.70	840.84
Less: Allowance for bad & doubtful receivables	840.70	840.84
	18.61	4.35
Others-Unsecured, considered good	5,813.90	1,430.61
Total	5,832.51	1,434.96

19. Cash and bank balances

₹ Crore

As at	31.03.2012	31.03.2011
Cash & cash equivalents		
Balances with banks		
- Current accounts	461.36	315.60
- Deposits with original maturity upto three months	300.00	-
Cheques & drafts on hand	0.43	0.31
Others (stamps in hand)	0.10	0.05
Other bank balances		
Deposits with original maturity of more than three months	15,357.98	15,847.23
Others [#]	26.24	22.07
Total	16,146.11	16,185.26
# Not available for use to the Company and include:		
Unpaid dividend account balance	11.48	10.25
Balance with Reserve Bank of India *	1.77	0.13
Security with government authorities:		
As per court orders	0.10	0.10
As per demand	12.89	11.59
	26.24	22.07

* Represents amount kept with Reserve Bank of India in terms of Rule 3 A of the Companies (Acceptance of Deposits) Rules, 1975 towards margin money for fixed deposits from public.

20. Short-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2012	31.03.2011
LOANS		
Related parties		
Unsecured	0.03	0.04
Employees (including accrued interest)		
Secured	70.08	52.05
Unsecured	83.09	82.79
Considered doubtful	0.22	0.25
Loan to state government in settlement of dues from customers (Unsecured)	95.73	95.73
Others		
Secured	32.29	25.14
Unsecured	-	0.02
Less: Allowance for bad & doubtful loans	0.22	0.25
	281.22	255.77
ADVANCES		
Related parties		
Unsecured	1.64	2.27
Employees		
Unsecured	9.15	11.60
Considered doubtful	0.08	0.08
Contractors & suppliers, including material issued on loan		
Secured	5.60	2.24
Unsecured	821.51	719.03
Considered doubtful	1.62	0.38
Others		
Unsecured	112.99	169.05
Less: Allowance for bad & doubtful advances	1.70	0.46
	950.89	904.19
Advance tax & tax deducted at source	10,116.58	9,789.49
Less: Provision for current tax	8,593.96	7,171.59
	1,522.62	2,617.90
Total	2,754.73	3,777.86
a) Due from Directors and Officers of the Company		
Directors	0.03	0.04
Officers	25.88	32.82
b) Loans to related parties include:		
Key management personnel	0.03	0.04
c) Advance to related parties include:		
i) Joint venture companies	1.64	2.26
ii) Key management personnel	-	0.01

20. Short-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2012	31.03.2011
d) Loans and advances include amounts due from the following private companies in which one or more Directors of the Company are Directors:		
NTPC-Alstom Power Services Private Ltd.	0.33	0.95
NTPC-SAIL Power Company Private Ltd.	5.04	2.05
Ratnagiri Gas & Power Private Ltd.	0.16	4.36
Aravali Power Company Private Ltd.	3.85	3.16
NTPC BHEL Power Projects Private Ltd.	1.35	1.33
Meja Urja Nigam Private Limited	2.73	4.14
Nabinagar Power Generating Company Private Ltd.	0.30	2.41
e) Other loans represent loans of ₹ 28.58 crore (previous year ₹ 21.43 crore) given to APIIC and ₹ 3.71 crore (previous year ₹ 3.71 crore) to Kanti Bijlee Utpadan Nigam Ltd.		
f) Other advances mainly represent advances given to gratuity trust of ₹ 7.06 crore (previous year ₹ 39.20 crore) and prepaid expenses amounting to ₹ 54.49 crore (previous year ₹ 52.56 crore).		

21. Other current assets

	₹ Crore	
As at	31.03.2012	31.03.2011
Interest accrued on :		
Bonds	312.14	382.33
Term deposits	775.60	608.35
Others	18.56	43.52
	<u>1,106.30</u>	<u>1,034.20</u>
Claims recoverable		
Unsecured, considered good	1,822.27	1,640.38
Considered doubtful	13.02	12.99
Less: Allowance for doubtful claims	13.02	12.99
	<u>1,822.27</u>	<u>1,640.38</u>
Unbilled revenues	5,616.10	6,528.55
Security deposits (unsecured)	302.70	56.23
Others	6.49	5.08
Total	<u><u>8,853.86</u></u>	<u><u>9,264.44</u></u>

- a) Others include amount recoverable from contractors and other parties towards hire charges, rent/electricity, etc.
- b) Claims recoverables include ₹ 766.12 crore (previous year ₹ 748.82 crore) towards the cost incurred upto 31st March 2012 in respect of one of the hydro power projects, the construction of which has been discontinued on the advice of the Ministry of Power, GOI. Management expects that the total cost incurred, anticipated expenditure on the safety and stabilisation measures, other recurring site expenses and interest costs as well as claims of various packages of contractors/vendors for this project will be compensated in full by the GOI. Hence no provision is considered necessary.
- c) Security deposit (unsecured) includes ₹ 163.46 crore (previous year ₹ 37.06 crore) sales tax deposited under protest with sales tax authorities.
- d) Unbilled revenues includes ₹ 5,411.93 crore (previous year ₹ 5,424.80 crore) billed to the beneficiaries after 31st March for energy sales. The amount for the year ended as at 31st March 2011 is after adjustment of provision for tariff adjustment of ₹ 1,526.45 crore. This provision has been shifted to 'Provision for tariff adjustment' (Note 10) during the year consequent to billing to the beneficiaries.

22. Revenue from operations (gross)

	₹ Crore	
For the year ended	31.03.2012	31.03.2011
Energy sales (including electricity duty)	61,430.85	54,982.56
Consultancy, project management and supervision fees (including turnkey construction projects)	142.69	169.45
	<u>61,573.54</u>	<u>55,152.01</u>
Energy internally consumed	80.75	64.68
Other operating revenues		
Interest from customers	510.57	116.16
Recognized from deferred foreign currency fluctuation liability	0.16	-
Provisions written back		
Tariff adjustment	312.75	-
Doubtful debts	0.14	-
Doubtful loans, advances and claims	0.14	0.04
Doubtful construction advances	0.03	0.01
Shortage in construction stores	0.34	0.11
Shortage in stores	1.08	1.89
Obsolescence in stores	1.02	5.15
Unserviceable capital works	-	0.15
Shortages in fixed assets	0.36	0.46
	<u>315.86</u>	<u>7.81</u>
Total	<u><u>62,480.88</u></u>	<u><u>55,340.66</u></u>

- a) The Central Electricity Regulatory Commission (CERC) notified the Tariff Regulations, 2009 in January 2009, and also notified First and Second Amendment in May and June 2011 (Regulations, 2009). In line with the Regulations, 2009, during the year, CERC has issued provisional/final tariff orders w.e.f. 1st April 2009 for all the stations except Talcher Thermal Power Station (TTPS). Beneficiaries are billed in accordance with the said provisional/final tariff orders except for TTPS where it is done on provisional basis. The amount billed for the year ended 31st March 2012 on this basis is **₹ 59,965.57 crore** (previous year ₹ 51,935.33 crore).
- b) The CERC has issued final tariff orders for some of the stations under the Regulations, 2009, considering the year-wise projected capital expenditure for the tariff period 2009-14. Sales for these stations has been recognised at **₹ 13,196.36 crore** for the year ended 31st March 2012 by truing up capital expenditure to arrive at the capacity charges (previous year ₹ 11,320.96 crore). For all other stations, pending determination of station-wise final tariff by the CERC, sales have been provisionally recognised at **₹ 47,486.43 crore** for the year ended 31st March 2012 (previous year ₹ 42,222.49 crore) on the basis of principles enunciated in the said Regulations, 2009.
- c) Sales include **₹ 547.78 crore** for the year ended 31st March 2012 (previous year ₹ 800.87 crore) pertaining to previous years recognized based on the orders issued by the CERC/Appellate Tribunal for Electricity (APTEL).

22. Revenue from operations (gross)

	₹ Crore	
For the year ended	31.03.2012	31.03.2011
d) i) The Company aggrieved over many of the issues as considered by the CERC in the tariff orders for its stations for the period 2004-09 had filed appeals with the APTEL. The APTEL disposed off the appeals favourably directing the CERC to revise the tariff orders as per directions and methodology given. Some of the issues decided in favour of the Company by the APTEL were challenged by the CERC in the Hon'ble Supreme Court of India. Subsequently, the CERC has issued revised tariff orders for most of the stations for the period 2004-09, considering the judgment of APTEL subject to disposal of appeals pending before the Hon'ble Supreme Court of India. Consequently, the impact of the aforesaid issues amounting to (-) ₹ 49.16 crore for the year ended 31 st March 2012 (previous year ₹ Nil) has been recognised as sales and included in b) above. Consequently, 'Provision for Tariff Adjustment' of equivalent amount has been reversed.		
ii) Pursuant to the issuance of second amendment to Regulations, 2009, sales amounting to (-) ₹ 263.59 crore has been adjusted and reflected in b) and c) above during the year ended 31 st March 2012. Corresponding provision for tariff adjustment created in 2010-11 has also been reversed during the year.		
e) Sales include (-) ₹ 266.14 crore for the year ended 31 st March 2012 (previous year ₹ 338.51 crore) on account of income-tax recoverable from customers as per Regulations, 2004. Sales also include ₹ 37.77 crore (previous year ₹ 21.72 crore) for the year ended 31 st March 2012 on account of deferred tax materialized which is recoverable from customers as per Regulations, 2009.		
f) Electricity duty on energy sales amounting to ₹ 428.65 crore (previous year ₹ 278.01 crore) has been reduced from sales in the statement of profit and loss.		
g) Energy internally consumed is valued at variable cost of generation and the corresponding amount is included in power charges (Note-26).		
h) Regulations, 2009 provides that where after the true-up, the tariff recovered is less than the tariff approved by the Commission under the Regulations, 2009, the generating Company shall recover from the beneficiaries the under-recovered amount along-with simple interest at the rate equal to the short-term prime lending rate of State Bank of India as on 1 st April of the respective year. Accordingly, the amount recoverable from the customers along-with interest has been accounted and disclosed under 'other operating revenues'.		

23. Other income

	₹ Crore	
For the year ended	31.03.2012	31.03.2011
Interest from		
Long-term investments - Government securities (8.5% tax free bonds)	659.38	799.76
Others		
Loan to state government in settlement of dues from customers	42.72	50.85
Loan to subsidiary companies	3.03	3.16
Loan to employees	25.31	20.45
Contractors	32.88	19.86
Indian banks	1,602.52	1,195.32
Income tax refunds	99.89	-
Less : Refundable to customers	34.47	-
	65.42	-
Others	12.02	16.56
Dividend from		
Long-term investments in		
Subsidiaries	19.00	14.00
Joint ventures	60.16	21.13
Current investments in		
Mutual funds	90.14	53.17
Other non-operating income		
Surcharge received from customers	1.16	10.81
Hire charges for equipment	3.23	2.59
Net gain in foreign currency transactions & translations (other than considered as finance cost)	61.25	31.34
Miscellaneous income	191.28	153.80
Profit on disposal of fixed assets	13.28	8.16
	2,882.78	2,400.96
Less: Transferred to expenditure during construction period (net) - Note 28	40.16	24.91
Transferred to development of coal mines	2.95	0.06
Transferred to deferred foreign currency fluctuation asset/liability	61.25	31.34
Total	2,778.42	2,344.65

a) Miscellaneous income includes income from sale of scrap, township recoveries and insurance claims.

24. Employee benefits expense

₹ Crore

For the year ended	31.03.2012	31.03.2011
Salaries and wages	3,165.72	2,764.00
Contribution to provident and other funds	295.86	337.83
Staff welfare expenses	295.10	293.44
	3,756.68	3,395.27
Less: Allocated to fuel cost	166.32	171.79
Transferred to development of coal mines	32.00	28.98
Transferred to expenditure during construction period (net)- Note 28	467.88	404.79
Total	3,090.48	2,789.71

- a) Disclosures required by AS 15 in respect of provision made towards various employees benefits are made in Note 37.
- b) Salary and wages include field compensatory allowance paid by the Company to eligible employees serving in difficult and far flung areas w.e.f. 1st January 2007. As per the Office Memorandum dated 26th November 2008 of DPE relating to revision of pay scales w.e.f 1st January 2007, special allowance can be paid to such employees upto 10% of basic pay as approved by concerned administrative ministry. In consultation with the DPE, the Company is in the process of formulating a scheme in this regard and the same shall be forwarded to MOP after approval of the Board.

25. Finance costs

		₹ Crore
For the year ended	31.03.2012	31.03.2011
Interest on		
Bonds	831.50	805.35
Foreign currency term loans	205.71	177.52
Rupee term loans	2,335.70	1,703.92
Public deposits	1.24	1.24
Foreign currency bonds/notes	184.32	162.75
Others	60.99	75.85
	3,619.46	2,926.63
Other borrowing costs		
Bonds servicing & public deposit expenses	2.18	1.85
Guarantee fee	37.67	35.57
Management fee	10.97	25.92
Foreign currency bonds/notes expenses	17.10	-
Up-front fee	15.31	0.87
Others	0.95	(1.35)
	84.18	62.86
Exchange differences regarded as an adjustment to interest costs	350.21	174.16
Sub-Total	4,053.85	3,163.65
Less: Transferred to expenditure during construction period (net) - Note 28	2,308.47	1,735.09
Transferred to development of coal mines	33.74	7.60
Total	1,711.64	1,420.96

26. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2012	31.03.2011
Power charges	224.33	144.04
Less: Recovered from contractors & employees	<u>17.73</u>	<u>15.93</u>
	206.60	128.11
Water charges	329.59	294.48
Stores consumed	45.24	31.33
Rent	26.33	22.21
Less: Recoveries	<u>8.13</u>	<u>6.81</u>
	18.20	15.40
Load dispatch centre charges	42.93	98.35
Repairs & maintenance		
Buildings	146.00	125.29
Plant & machinery		
Power stations	1,528.51	1,272.43
Construction equipment	<u>0.73</u>	<u>0.71</u>
	1,529.24	1,273.14
Others	93.67	97.05
Insurance	97.29	91.87
Interest payable to customers	(67.57)	3.61
Rates and taxes	23.84	24.10
Water cess & environment protection cess	25.50	38.46
Training & recruitment expenses	72.70	70.85
Less: Fees for application and training	<u>1.31</u>	<u>4.77</u>
	71.39	66.08
Communication expenses	37.75	35.08
Travelling expenses	171.35	149.82
Tender expenses	21.71	24.48
Less: Receipt from sale of tenders	<u>2.22</u>	<u>2.75</u>
	19.49	21.73
Payment to auditors	2.74	2.87
Advertisement and publicity	12.23	13.78
Security expenses	290.96	244.68
Entertainment expenses	13.16	12.83
Expenses for guest house	16.40	13.80
Less: Recoveries	<u>2.18</u>	<u>1.34</u>
	14.22	12.46
Education expenses	10.02	25.41
Brokerage & commission	2.60	1.86
Community development and welfare expenses	58.32	79.48
Less: Grants-in-aid	<u>0.24</u>	<u>0.43</u>
	58.08	79.05
Ash utilisation & marketing expenses	4.22	1.64
Less: Sale of ash products	<u>0.06</u>	<u>0.23</u>
	4.16	1.41
Directors sitting fee	0.25	0.28
Books and periodicals	1.94	1.59
Professional charges and consultancy fees	30.19	39.39

26. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2012	31.03.2011
Legal expenses	15.27	12.29
EDP hire and other charges	14.41	15.69
Printing and stationery	11.56	12.22
Oil & gas exploration expenses	14.34	3.64
Hiring of vehicles	47.08	43.10
Rebate to customers	632.87	711.28
Reimbursement of L.C.charges on sales realisation	4.10	4.96
Bank charges	2.95	3.00
Net loss in foreign currency transactions & translations (other than considered as finance cost)	35.31	6.50
Miscellaneous expenses	95.57	71.42
Stores written off	0.15	0.05
Survey & investigation expenses written off	7.05	4.50
Loss on disposal/write-off of fixed assets	58.40	60.87
	4,170.12	3,879.03
Less: Allocated to fuel cost	236.11	210.46
Transferred to development of coal mines	12.92	14.11
Transferred to deferred foreign currency fluctuation asset/liability	15.65	-
Transferred to expenditure during construction period (net) - Note 28	381.83	280.33
	3,523.61	3,374.13
Provisions for		
Tariff adjustments	-	1,526.45
Doubtful debts	-	4.83
Diminution in value of long term investments in subsidiary Company	8.14	-
Doubtful loans, advances and claims	0.05	0.25
Shortage in stores	0.88	1.45
Obsolescence in stores	10.39	8.80
Shortage in construction stores	0.26	0.33
Unserviceable capital work-in-progress	3.54	9.29
Unfinished minimum work programme for oil and gas exploration	41.19	-
Shortages in fixed assets	0.73	0.65
Others	-	0.10
	65.18	1,552.15
Total	3,588.79	4,926.28
a) Interest payable to customers includes reversal of ₹ 198.83 crore provided in earlier years towards interest payable to beneficiaries as per APTEL order which was set aside by the Hon'ble Supreme Court of India during the year.		
b) Spares consumption included in repairs and maintenance	834.50	807.11
c) Details in respect of payment to auditors:		
As auditor		
Audit fee	0.85	0.82
Tax audit fee	0.30	0.29
Limited review	0.52	0.62
In other capacity		
Other services (certification fees)	0.33	0.20
Reimbursement of expenses	0.53	0.74
Reimbursement of service tax	0.21	0.20
Total	2.74	2.87

Payment to the auditors includes ₹ 0.13 crore (previous year ₹ 0.15 crore) relating to earlier year.

27. Prior period items (Net)

₹ Crore

For the year ended	31.03.2012	31.03.2011
REVENUE		
Sales	9.00	520.62
Others	0.81	0.02
	<u>9.81</u>	<u>520.64</u>
EXPENDITURE		
Employee benefits expense	(322.05)	(2.49)
Finance costs:		
Interest	(0.61)	0.13
Depreciation and amortisation	(1.35)	(1,113.05)
Generation, administration and other expenses		
Repairs and maintenance	(0.21)	1.35
Professional consultancy charges	-	(0.04)
Rates & taxes	0.09	0.70
Rent	0.90	-
Others	(1.39)	(0.63)
	<u>(324.62)</u>	<u>(1,114.03)</u>
Net Expenditure/(Revenue)	(334.43)	(1,634.67)
Less: Transferred to expenditure during construction period (net)-		
Note 28	(19.01)	4.05
Development of coal mines	(1.84)	-
Total	<u>(313.58)</u>	<u>(1,638.72)</u>

Employee benefits expense include (-) ₹ 341.83 crore (previous year ₹ nil) towards the reversal of excess provision for pension (refer Note 10).

28. Expenditure during construction period (net)

₹ Crore

For the year ended	31.03.2012	31.03.2011
A. Employee benefits expense		
Salaries and wages	410.83	340.64
Contribution to provident and other funds	32.11	32.32
Staff welfare expenses	24.94	31.83
Total (A)	467.88	404.79
B. Finance costs		
Interest on		
Bonds	467.08	504.95
Foreign currency term loans	99.93	86.26
Rupee term loans	1,397.01	1,066.78
Foreign currency bonds/notes	104.91	37.47
Other borrowing costs		
Foreign currency bonds/notes expenses	10.47	-
Management/arrangers/upfront fee	20.77	21.55
Others	23.05	3.45
Exchange differences regarded as an adjustment to interest costs	185.25	14.63
Total (B)	2,308.47	1,735.09
C. Depreciation and amortisation	32.21	24.77
D. Generation , administration & other expenses		
Power charges	155.21	80.73
Less: Recovered from contractors & employees	1.76	1.01
	153.45	79.72
Water charges	47.77	58.60
Rent	4.21	2.96
Repairs & maintenance		
Buildings	7.18	5.91
Construction equipment	0.37	0.24
Others	14.58	11.39
	22.13	17.54
Insurance	1.23	0.38
Rates and taxes	2.40	1.03
Communication expenses	5.04	4.77
Travelling expenses	32.32	28.76
Tender expenses	4.46	6.91
Less: Income from sale of tenders	0.08	0.12
	4.38	6.79
Advertisement and publicity	0.85	0.48
Security expenses	39.38	37.91
Entertainment expenses	2.46	2.02
Guest house expenses	3.18	2.60
Education expenses	0.02	0.16
Books and periodicals	0.35	0.71
Community development expenses	2.59	1.61
Professional charges and consultancy fee	7.97	5.45
Legal expenses	1.94	1.30

28. Expenditure during construction period (net)

₹ Crore

For the year ended	31.03.2012	31.03.2011
EDP hire and other charges	1.20	1.35
Printing and stationery	1.28	0.96
Miscellaneous expenses	47.68	25.23
Total (D)	381.83	280.33
Total (A+B+C+D)	3,190.39	2,444.98
E. Less: Other income		
Hire charges	2.76	1.61
Sale of scrap	0.11	0.05
Interest from contractors	29.09	17.77
Interest others	0.60	4.97
Miscellaneous income	7.60	0.51
Total (E)	40.16	24.91
F. Prior period items (net)	(19.01)	4.05
Grand total (A+B+C+D-E+F)	3,131.22	2,424.12

* Carried to capital work-in-progress - (Note 12)

29. The financial statements for the year ended 31st March 2011 were prepared as per then applicable, Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the financial statements for the year ended 31st March 2012 are prepared as per Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of financial statements.
30. Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as other-wise stated. Certain amounts, which do not appear due to rounding off, are incorporated separately.
31. a) Certain loans & advances and creditors in so far as these have since not been realised/discharged or adjusted are subject to confirmation/reconciliation and consequential adjustment, which in the opinion of the management is not material.
b) In the opinion of the management, the value of assets, other than fixed assets 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.
32. The coal price notification No 222021 /1/ 2008-CRC-UU dated 31.12.2011 issued by Ministry of Coal (MoC) proposed migration from Useful Heat Value (UHV) to Gross Calorific Value (GCV) based pricing of coal, and also increased the coal prices. This was superseded by notification dated 31.01.2012, partially rolling back the increase in coal prices. Various stakeholders including power utilities and MOP have expressed concern on the switchover from existing UHV to GCV based pricing of coal, without having put in place the prerequisite technical and legal framework. The issue is under deliberation at MOP and Central Electricity Authority with MoC for an early resolution.

Pending resolution of the issues, stations are continuing to make payment and accounting of coal as per the pre-migrated system of UHV based pricing of coal and the difference between the amounts billed by the coal companies and the payments made/accounted for has been shown as contingent liability. Since fuel cost is a pass through component of tariff, the revision of price will not have any adverse impact on the profits of the Company.

33. The levy of transit fee/entry tax/VAT on supplies of fuel to some of the power stations has been paid under protest as the matters are subjudice at various courts. Probable demand for the period upto January 2012 has been included under contingent liabilities. In case the Company gets refund / demand from fuel suppliers/tax authorities on settlement of these cases, the same will be passed on to respective beneficiaries.

34. Disclosure as per Accounting Standard - 9 on 'Revenue Recognition'

Due to uncertainty of realisation in the absence of sanction by the GOI, the Company's share of net annual profits of one of the stations taken over by the Company in June 2006 for the period 1st April 1986 to 31st May 2006 amounting to ₹ **115.58 crore** (previous year ₹ 115.58 crore) being balance receivable in terms of the management contract with the GOI has not been recognised.

35. Disclosure as per Accounting Standard - 11 on 'Effects of Changes in Foreign Exchange Rates'

The effect of foreign exchange fluctuation during the year is as under:

- i) The amount of exchange differences (net) debited to the statement of profit & loss is ₹ **19.66 crore** (previous year ₹ 6.50 crore).
ii) The amount of exchange differences (net) debited to the carrying amount of fixed assets is ₹ **1,661.21 crore** (previous year ₹ 168.29 crore).

36. Disclosure as per Accounting Standard - 12 on 'Accounting for Government Grants'

Revenue grants recognised during the year is ₹ **0.24 crore** (previous year ₹ 0.43 crore).

37. Disclosure as per Accounting Standard - 15 on 'Employee Benefits'

General description of various defined employee benefit schemes are as under:

A. Provident Fund

Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution of ₹ **173.46 crore** (previous year ₹ 191.19 crore) to the funds for the year is recognised as expense and is charged to the statement of profit and loss. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence no further provision is considered necessary.

B. Gratuity & Pension

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.10 crore on superannuation, resignation, termination, disablement or on death.

The Company has a scheme of pension at one of the stations in respect of employees taken over from erstwhile state government power utility. In respect of other employees of the Company, pension scheme is yet to be implemented as stated in Note 10 b) above.

The existing schemes are funded by the Company and are managed by separate trusts. The liability for the same is recognised on the basis of actuarial valuation.

C. Post-Retirement Medical Facility (PRMF)

The Company has Post-Retirement Medical Facility (PRMF), under which retired employee and the spouse are provided medical facilities in the Company hospitals/empanelled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company. The liability for the same is recognised on the basis of actuarial valuation.

D. Terminal Benefits

Terminal benefits include settlement at home town for employees & dependents and farewell gift to the superannuating employees. Further, the Company also provides for pension in respect of employees taken over from erstwhile State Government Power Utility at another station. The liability for the same is recognised on the basis of actuarial valuation.

E. Leave

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. 73.33 % of the earned leave is en-cashable while in service, and upto a maximum of 300 days on separation. Half-pay leave is en-cashable only on separation beyond the age of 50 years up to the maximum of 240 days (HPL) as per the rules of the Company. The liability for the same is recognised on the basis of actuarial valuation.

The above mentioned schemes (C, D and E) are unfunded and are recognised on the basis of actuarial valuation.

The summarised position of various defined benefits recognised in the statement of profit and loss, balance sheet are as under:

(Figures given in { } are for previous year)

i) Expenses recognised in Statement of Profit & Loss

	₹ Crore			
	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Current service cost	59.02 {53.78}	11.03 {9.74}	41.87 {38.01}	4.98 {4.32}
Interest cost on benefit obligation	100.75 {85.20}	26.49 {19.55}	55.40 {46.80}	16.35 {13.40}
Expected return on plan assets	(82.34) {(78.78)}	- {-}	- {-}	- {-}
Net actuarial (gain)/ loss recognised in the year	0.97 {50.37}	29.34 {45.32}	87.25 {85.47}	25.94 {16.55}
Expenses transferred to capital work-in-progress	6.68 {9.74}	3.60 {4.97}	18.01 {14.34}	- {-}
Expenses transferred to subsidiaries & joint venture companies	2.95 {4.57}	1.41 {3.16}	5.80 {9.63}	0.79 {0.40}
Expenses recognised in the statement of profit & loss	68.77 {96.26}	61.85 {66.48}	160.71 {146.31}	46.48 {33.87}
Actual return on plan assets	94.63 {83.89}	- {-}	- {-}	- {-}

ii) The amount recognised in the Balance Sheet

₹ Crore

	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 31.03.2012	1,288.86 {1185.28}	369.49 {311.67}	739.57 {651.90}	229.34 {192.29}
Fair value of plan assets as at 31.03.2012	1,162.97 {1031.68}	- {-}	- {-}	- {-}
Net liability recognised in the balance sheet	125.89 {153.60}	369.49 {311.67}	739.57 {651.90}	229.34 {192.29}

iii) Changes in the present value of the defined benefit obligations:

₹ Crore

	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 01.04.2011	1,185.28 {1065.03}	311.67 {244.40}	651.90 {585.08}	192.29 {167.46}
Interest cost	100.75 {85.20}	26.49 {19.55}	55.40 {46.80}	16.35 {13.40}
Current service cost	59.02 {53.78}	11.03 {9.74}	41.87 {38.01}	4.98 {4.32}
Benefits paid	(69.45) {(74.20)}	(9.04) {(7.33)}	(96.85) {(103.46)}	(10.22) {(9.44)}
Net actuarial (gain)/ loss on obligation	13.26 {(55.47)}	29.34 {45.31}	87.25 {85.47}	25.94 {16.55}
Present value of the defined benefit obligation as at 31.03.2012	1,288.86 {1185.28}	369.49 {311.67}	739.57 {651.90}	229.34 {192.29}

iv) Changes in the fair value of plan assets:

₹ Crore

	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Fair value of plan assets as at 01.04.2011	1,031.68 {987.14}	- {-}	- {-}	- {-}
Expected return on plan assets	82.34 {78.78}	- {-}	- {-}	- {-}
Contributions by employer	102.32 {31.40}	- {-}	- {-}	- {-}
Benefit paid	(65.66) {(70.74)}	- {-}	- {-}	- {-}
Net actuarial gain/(loss)	12.29 {5.10}	- {-}	- {-}	- {-}
Fair value of plan assets as at 31.03.2012	1,162.97 {1031.68}	- {-}	- {-}	- {-}

v) Other disclosures:

₹ Crore

Gratuity/pension	31.03.2012	31.03.2011	31.03.2010	31.03.2009	31.03.2008
Present value of obligation as at the end of	1288.86	1185.28	1065.02	1040.99	536.10
Fair value of plan assets as at the end of	1162.97	1031.68	987.14	535.94	462.34
Surplus/(Deficit)	(125.89)	(153.60)	(77.88)	(505.05)	(73.76)
Experience adjustment on plan liabilities (loss)/gain	(18.87)	(59.49)	10.13	(21.04)	8.49
Experience adjustment on plan assets (loss)/gain	12.29	5.10	25.12	4.61	0.53

₹ Crore

PRMF	31.03.2012	31.03.2011	31.03.2010	31.03.2009	31.03.2008
Present value of obligation as at the end of	369.49	311.67	244.39	213.29	174.95
Experience adjustment on plan liabilities (loss)/gain	(30.60)	(33.27)	(12.65)	(4.24)	(14.32)

₹ Crore

Leave	31.03.2012	31.03.2011	31.03.2010	31.03.2009	31.03.2008
Present value of obligation as at the end of	739.57	651.90	585.07	647.94	516.02
Experience adjustment on plan liabilities (loss)/gain	(89.90)	(87.83)	(37.25)	(107.16)	(107.06)

₹ Crore

Terminal Benefits	31.03.2012	31.03.2011	31.03.2010	31.03.2009	31.03.2008
Present value of obligation as at the end of	229.34	192.29	167.47	125.51	101.60
Experience adjustment on plan liabilities (loss)/gain	(24.38)	(23.95)	(36.68)	(16.94)	37.18

vi) The effect of one percentage point increase/decrease in the medical cost of PRMF will be as under:

₹ Crore

	Increase by	Decrease by
Service and interest cost	4.17	6.46
Present value of obligation	30.95	46.97

F. Details of the Plan Assets

The details of the plan assets at cost are:

₹ Crore

	31.03.2012	31.03.2011
i) State government securities	273.43	237.32
ii) Central government securities	330.85	316.45
iii) Corporate bonds/debentures	417.27	422.48
iv) Money market instruments	5.97	Nil
v) Investment with insurance companies	104.34	0.74
vi) Fixed deposits with banks	5.44	60.00
Total	1,137.30	1,036.99

The amounts included in the value of plan assets in respect of the reporting enterprise's own financial instruments is ₹ 25.00 crore (previous year ₹ 25.00 crore).

G. Actual return on plan assets ₹ 94.63 crore (previous year ₹ 83.89 crore).

H. Other Employee Benefits

Provision for long service award and family economic rehabilitation scheme amounting to ₹ 4.85 crore (previous year ₹ 2.76 crore) for the year have been made on the basis of actuarial valuation at the year end and debited to the statement of profit & loss.

I. Actuarial Assumptions

Principal assumptions used for actuarial valuation for the year ended are:

	31.03.2012	31.03.2011
i) Method used	Projected Unit Credit Method	
ii) Discount rate	8.50%	8.00%
iii) Expected rate of return on assets:		
- Gratuity	8.00%	8.00%
- Pension	7.00%	7.00%
iv) Annual increase in costs	6.00%	5.50%
v) Future salary increase	6.00%	5.50%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Further, the expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

J. The Company's best estimate of the contribution towards gratuity/pension for the financial year 2012-13 is ₹ 68.59 crore.

38. **Disclosure as per Accounting Standard - 16 on 'Borrowing Costs'**

Borrowing costs capitalised during the year are ₹ 2,342.21 crore (previous year ₹ 1,743.61 crore).

38. **Disclosure as per Accounting Standard - 17 on 'Segment Reporting'**

Segment information:

a) Business segments

The Company's principal business is generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy, project management and supervision, oil and gas exploration and coal mining.

b) Segment revenue and expense

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

c) Segment assets and liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Construction work-in-progress, construction stores and advances are included in unallocated corporate and other assets. Segment liabilities include operating liabilities and provisions.

(₹ Crore)

	Business Segments				Total	
	Generation		Others		Current year	Previous year
	Current year	Previous year	Current year	Previous year		
Revenue :						
Sale of energy/consultancy, project management and supervision fees *	61,430.85	54,704.55	142.69	169.45	61,573.54	54,874.00
Other income	684.66	364.58	3.36	2.29	688.02	366.87
Total	62,115.51	55,069.13	146.05	171.74	62,261.56	55,240.87
Segment result #	12,300.36	12,083.33	(19.46)	50.21	12,280.90	12,133.54
Unallocated corporate interest and other income					2,569.10	2,166.43
Unallocated corporate expenses, interest and finance charges					2,523.84	2,250.37
Profit before tax					12,326.16	12,049.60
Income tax (net)					3,102.43	2,947.01
Profit after tax					9,223.73	9,102.59
Other information						
Segment assets	64,642.77	53,198.01	220.52	110.76	64,863.29	53,308.77
Unallocated corporate and other assets					75,974.51	72,430.11
Total assets	64,642.77	53,198.01	220.52	110.76	1,40,837.80	1,25,738.88
Segment liabilities	8,235.50	7,937.78	167.53	106.51	8,403.03	8,044.29
Unallocated corporate and other liabilities					59,143.60	49,802.34
Total liabilities	8,235.50	7,937.78	167.53	106.51	67,546.63	57,846.63
Depreciation (including prior period)	2,753.31	1,333.45	0.17	0.13	2,753.48	1,333.58
Non-cash expenses other than depreciation	15.29	1,542.64	41.19	1.45	56.48	1,544.09
Capital expenditure	14,513.32	11,864.09	289.85	270.21	14,803.17	12,134.30

* Includes ₹ 281.64 crore (previous year ₹ 1,139.38 crore) for sales related to earlier years.

Generation segment result would have been ₹ 12,018.78 crore (previous year ₹ 10,943.95 crore) without including the sales related to earlier years.

d) The operations of the Company are mainly carried out within the country and therefore, geographical segments are inapplicable.

40. Disclosure as per Accounting Standard - 18 on 'Related Party Disclosures'

a) Related parties:

i) Joint ventures:

Utility Powertech Ltd., NTPC-Alstom Power Services Private Ltd., BF-NTPC Energy Systems Ltd., Pan-Asian Renewables Private Ltd., Trincomalee Power Company Ltd.

ii) Key Management Personnel:

Shri Arup Roy Choudhury	Chairman and Managing Director
Shri A.K. Singhal	Director (Finance)
Shri I.J. Kapoor	Director (Commercial)
Shri.B.P.Singh	Director (Projects)
Shri D.K. Jain	Director (Technical)
Shri S.P.Singh	Director (Human Resources)
Shri N.N.Mishra	Director (Operations)

b) Transactions with the related parties at a (i) above are as follows:

(₹ Crore)

Particulars	Current year	Previous year
i) Transactions during the year		
• Contracts for works/services for services received by the Company		
- Utility Powertech Ltd.	335.47	240.52
- NTPC-Alstom Power Services Private Ltd.	10.10	14.15
• Deputation of Employees:		
- Utility Powertech Ltd.	0.13	0.50
- NTPC-Alstom Power Services Private Ltd	0.82	0.57
- Trincomalee Power Company Limited	0.15	-
ii) Dividend Received:		
- Utility Powertech Ltd.	3.00	1.00
- NTPC-Alstom Power Services Private Ltd.	0.30	0.36
iii) Amount recoverable for contracts for works/services received:		
- Utility Powertech Ltd.	0.94	0.60
- NTPC-Alstom Power Services Private Ltd	0.04	0.87
iv) Amount payable for contracts for works/services received:		
- Utility Powertech Ltd.	48.83	47.16
- NTPC-Alstom Power Services Private Ltd	10.44	17.52
v) Amount recoverable on account of deputation of employees:		
- Utility Powertech Ltd.	0.30	0.66
- NTPC-Alstom Power Services Private Ltd	0.33	0.93
- Trincomalee Power Company Limited	0.15	-

The Company has received bank guarantees from Utility Powertech Ltd. for an amount of ₹ 4.18 crore (previous year ₹ 4.18 crore).

c) Remuneration to key management personnel for the year is ₹ 2.79 crore (previous year ₹ 3.06 crore) and amount of dues outstanding to the Company as on 31st March 2012 are ₹ 0.08 crore (previous year ₹ 0.11 crore).

41. Disclosure as per Accounting Standard - 19 on 'Leases'

a) Finance leases

The Company has taken on lease certain vehicles and has the option to purchase the vehicles as per terms of the lease agreements, details of which are as under:

₹ Crore

	31.03.2012	31.3.2011
a) Obligations towards minimum lease payments		
• Not later than one year	0.48	0.68
• Later than one year and not later than five years	0.22	0.70
• Later than five years	-	-
Total	0.70	1.38

b) Present value of (a) above		
• Not later than one year	0.43	0.57
• Later than one year and not later than five years	0.21	0.64
• Later than five years	-	-
Total	0.64	1.21
c) Finance charges	0.06	0.17

b) Operating leases

The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps for a period of one to two years. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note 24 - Employee benefits expense includes ₹ 75.68 crore (previous year ₹ 70.23 crore) towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps are included under 'Rent' in Note 26 - 'Generation, administration and other expenses'. Further, the Company has taken a helicopter on wet lease basis for a period of eleven years and the amount of lease charges is included in 'Miscellaneous expenses' in Note 26.

42. Disclosure as per Accounting Standard - 20 on 'Earnings Per Share'

The elements considered for calculation of earning per share (Basic and Diluted) are as under:

	Current year	Previous year
Net profit after tax used as numerator - ₹ crore	9,223.73	9,102.59
Weighted average number of equity shares used as denominator	8,24,54,64,400	8,24,54,64,400
Earning per share (Basic and Diluted) - ₹	11.19	11.04
Nominal value per share - ₹	10/-	10/-

43. Disclosure as per Accounting Standard - 26 on 'Intangible Assets'

Research expenditure charged to revenue during the year is ₹ 29.89 crore (previous year ₹ 28.30 crore).

44. Disclosure as per Accounting Standard - 27 on 'Financial Reporting of Interest in Joint Ventures'

a) Joint Venture Entities:

Company	Proportion of ownership interest as on (excluding share application money)	
	31.03.2012 (%)	31.03.2011 (%)
A. Joint Ventures incorporated in India		
1. Utility Powertech Ltd.	50	50
2. NTPC - Alstom Power Services Private Ltd.	50	50
3. NTPC-SAIL Power Company Private Ltd.*	50	50
4. NTPC -Tamilnadu Energy Company Ltd.	50	50
5. Ratnagiri Gas and Power Private Ltd.*	31.52	30.17
6. Aravali Power Company Private Ltd.*	50	50
7. NTPC - SCCL Global Ventures Private Ltd.*	50	50
8. Meja Urja Nigam Private Ltd.	50	50
9. NTPC - BHEL Power Projects Private Ltd.	50	50
10. BF - NTPC Energy Systems Ltd.*	49	49
11. Nabinagar Power Generating Company Private Ltd.	50	50
12. National Power Exchange Ltd.*	16.67	16.67
13. International Coal Ventures Private. Ltd.*	14.28	14.28
14. National High Power Test Laboratory Private Ltd.	25	25
15. Transformers & Electricals Kerala Ltd.	44.60	44.60
16. Energy Efficiency Services Ltd.*	25	25
17. CIL NTPC Urja Private Ltd.*	50	50
18. Anushakti Vidyut Nigam Ltd.*	49	-
19. Pan-Asian Renewables Private Ltd.*	50	-
B. Joint Ventures incorporated outside India		
1. Trincomalee Power Company Ltd.*	50	-

* The accounts are unaudited

The Company's share of the assets, liabilities, contingent liabilities and capital commitment as at 31st March 2012 and income and expenses for the year in respect of joint venture entities based on audited/unaudited accounts are given below:

	₹ Crore	
	31.03.2012	31.03.2011
A. Assets		
• Long term assets	12,314.73	10,573.99
• Current assets	1,978.68	1,255.69
Total	14,293.41	11,829.68
B. Liabilities		
• Long term liabilities	8,085.19	7,472.12
• Current liabilities and provisions	1,940.20	1,127.83
Total	10,025.39	8,599.95
C. Contingent liabilities	78.09	123.10
D. Capital commitments	1,848.88	2,673.05
	Current year	Previous year
E. Income	3,659.89	2,442.99
F. Expenses	3,022.44	2,125.75

b) Joint venture operations:

- i) The Company along-with some public sector undertakings has entered into Production Sharing Contracts (PSCs) with GOI for three exploration blocks namely KG- OSN-2009/1, KG-OSN-2009/4 and AN-DWN-2009/13 under VIII round of New Exploration Licensing Policy (NELP VIII) with 10% participating interest (PI) in each of the blocks.

Based on the un-audited statement of the accounts for the above blocks forwarded by M/s Oil & Natural Gas Corporation Ltd., the operator, the Company's share in respect of assets and liabilities as at 31st March 2012 and expenditure for the year are given below:

	₹ Crore	
Item	2011-12 (Un-audited)	2010-11 (Un-audited)
Expenses	3.61	3.11
Assets	0.03	0.03
Liabilities	0.95	3.14
Capital commitments	88.48	81.03

- ii) Exploration activities in the block AA-ONN-2003/2 were abandoned due to unforeseen geological conditions & withdrawal of the operator. Attempts to reconstitute the consortium to accomplish the residual exploratory activities did not yield result. In the meanwhile, MoP&NG demanded from the Company the cost of unfinished minimum work programme of US\$ 7.516 million. During the year, provision of ₹ 41.19 crore along-with interest has been made. The Company has sought waiver of the claim citing force majeure conditions at site leading to discontinuation of exploratory activities.

The Company has accounted for expenditure of ₹ 0.18 crore for the financial year 2011-12 towards the establishment expenses of M/s Geopetrol International, the operator to complete the winding-up activities of the Block. The Company's share in the assets and liabilities as at 31st March 2012 and expenditure for the year is as under:

Item	₹ Crore	
	2011-12 (Un-audited)	2010-11 (Un-audited)
Expenses	0.18	0.43
Assets	14.64	14.64
Liabilities	2.10	1.92
Contingent liabilities	67.57	78.50

45. Disclosure as per Accounting Standard - 28 on 'Impairment of Assets'

As required by Accounting Standard (AS) 28 'Impairment of Assets' notified under the Companies (Accounting Standards) Rules, 2006, the Company has carried out the assessment of impairment of assets. Based on such assessment, there has been no impairment loss during the year.

46. Foreign currency exposure not hedged by a derivative instrument or otherwise:

Particulars	Currencies	₹ Crore	
		31.03.2012	31.03.2011
Borrowings, including interest accrued but not due thereon.	USD	10,538.98	7,157.37
	JPY	3,378.49	3,125.17
	EURO	423.42	441.21
Sundry creditors/deposits and retention monies	USD	1,168.53	1,144.72
	EURO	786.62	540.95
	Others	34.96	30.31
Sundry debtors and Bank balances	USD	0.82	2.08
Unexecuted amount of contracts remaining to be executed	USD	2,033.53	2,361.57
	EURO	1,435.51	3,311.03
	Others	51.55	25.22

47. Information in respect of micro and small enterprises as at 31st March 2012 as required by Micro, Small and Medium Enterprises Development Act, 2006

Particulars	Amount
a) Amount remaining unpaid to any supplier:	
Principal amount	17.16
Interest due thereon (* ₹ 21,150/-)	*
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. (* ₹ 3,371)	*
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	0.03
d) Amount of interest accrued and remaining unpaid	0.03
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	-

48. Disclosure as required by Clause 32 of Listing Agreements:**A. Loans and Advances in the nature of Loans:**

1. To Subsidiary Companies

₹ Crore

Name of the company	Outstanding balance as at		Maximum amount outstanding	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Kanti Bijlee Utpadan Nigam Ltd.	17.14	21.71	21.71	26.29

2. To Firms/companies in which directors are interested : Nil

3. Where there is no repayment schedule or repayment beyond seven year or no interest or interest as per Section 372A of the Companies Act, 1956 : ₹ 17.14 crore

B. Investment by the loanee (as detailed above) in the shares of NTPC : Nil

49. Contingent Liabilities:**a) Claims against the company not acknowledged as debts in respect of:****(i) Capital Works**

Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the Company for ₹ 4,417.04 crore (previous year ₹ 3,485.85 crore) seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the Company as being not admissible in terms of the provisions of the respective contracts.

The Company is pursuing various options under the dispute resolution mechanism available in the contracts for settlement of these claims. It is not practicable to make a realistic estimate of the outflow of resources if any, for settlement of such claims pending resolution.

(ii) Land compensation cases

In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹ 1,173.58 crore (previous year ₹ 1,851.08 crore) has been estimated.

(iii) Fuel Suppliers

Pending resolution of the issues disclosed in Note 32, payments and accounting of coal are being made as per the pre-migrated system of UHV based pricing of coal. The difference between the billing by the coal companies on the revised GCV based price and payment released on pre-revised UHV based price amounts to ₹ 399.39 crore (previous year ₹ Nil).

Further, an amount of ₹ 399.42 crore (previous year ₹ 182.22 crore) towards surface transportation charges, customs duty on service margin on imported coal etc. has been disputed by the Company.

(iv) Others

In respect of claims made by various State/Central Government departments/Authorities towards building permission fees, penalty on diversion of agricultural land to non-agricultural use, nala tax, water royalty etc. and by others, contingent liability of ₹ 877.47 crore (previous year ₹ 1,064.40 crore) has been estimated.

(v) Possible Reimbursement

The contingent liabilities referred to in (i) above, include an amount of ₹ 1,769.70 crore (previous year ₹ 1,495.35 crore) relating to the hydro power project stated in Note 21 b) - Other current assets, for which Company envisages possible reimbursement from GOI in full. In respect of balance claims included in (i) and in respect of the claims mentioned at (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 Regulations subject to prudence check by the CERC. In case of (iii) & (iv), the estimated possible reimbursement is by way of recovery through tariff as per Regulations, 2009 and others is ₹ 676.32 crore (previous year ₹ 146.97 crore).

b) Disputed Income Tax/Sales Tax/Excise Matters

Disputed Income Tax/Sales Tax/Excise matters pending before various Appellate Authorities amount to ₹ 3,038.63 crore (previous year ₹ 2,465.26 crore). Many of these matters were disposed off in favour of the Company but are disputed before higher authorities by the concerned departments. In such cases, the company estimate possible reimbursement of ₹ 2,111.54 crore (previous year ₹ 1,793.36 crore).

c) Others

Other contingent liabilities amount to ₹ 327.20 crore (previous year ₹ 398.74 crore).

Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

50. Capital and other commitments

- Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2012 is ₹ 29,563.89 crore (previous year ₹ 23,779.74 crore).
- In respect of investments of ₹ 2,895.97 crore (previous year ₹ 2,440.72 crore) in the joint venture entities, the Company has restrictions for their disposal ranging from two years to twelve years from the date of incorporation/allotment of shares/commercial operation of the projects as the case may be.
- In respect of investments of ₹ 866.61 crore (previous year ₹ 731.34 crore) in the subsidiary Companies, the Company has restrictions for their disposal for five years from the date of commercial operation of the respective project.
- As at 31st March 2012, the Company has commitments of ₹ 3,236.96 crore (previous year ₹ 2,340.91 crore) towards further investment in the joint venture entities.
- As at 31st March 2012, the Company has commitments of ₹ 1,419.32 crore (previous year ₹ 1,561.68 crore) towards further investment in the subsidiary companies.
- Company's commitment towards the minimum work programme in respect oil exploration activities of joint venture operations has been disclosed in Note 44 b).
- Company's commitment in respect of further commitments relating to lease agreements has been disclosed in Note 41.

51. Other disclosures as per Schedule VI of the Companies Act, 1956

₹ crore

Particulars	Current year		Previous year	
a) Value of imports calculated on CIF basis:				
Capital goods	880.34		965.31	
Spare parts	190.09		98.73	
b) Expenditure in foreign currency:				
Professional and consultancy fee	7.07		5.80	
Interest	390.03		514.43	
Others	14.44		12.21	
c) Value of components, stores and spare parts consumed (including fuel):	Current year		Previous year	
	%age	Amount	%age	Amount
Imported	18.69	7,942.77	21.68	7,835.18
Indigenous	81.31	34,572.43	78.32	28,304.29
			Current year	Previous year
d) Earnings in foreign exchange:				
Professional & consultancy fees			2.48	1.01
Others			0.28	0.11

NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR 2010-11

1.	a)	The conveyance of title for 11,043 acres of freehold land of value ₹ 538.18 crore (previous year 10,884 acres of value ₹ 507.11 crore) and buildings & structures valued at ₹ 135.58 crore (previous year ₹ 149.05 crore), as also execution of lease agreements for 8,995 acres of land of value ₹ 252.51 crore (previous year 8,958 acres, value ₹ 244.72 crore) in favour of the Company are awaiting completion of legal formalities.
	b)	Leasehold land includes 819 acres valuing ₹ 29.67 crore (previous year 30 acres valuing ₹0.05 crore) acquired on perpetual lease and accordingly not amortised.
	c)	Land does not include cost of 1,181 acres (previous year 1,181 acres) of land in possession of the Company. This will be accounted for on settlement of the price thereof by the State Government Authorities.
	d)	Land includes 1,245 acres of value ₹ 15.03 crore (previous year 1,247 acres of value ₹ 15.09 crore) not in possession of the Company. The Company is taking appropriate steps for repossession of the same.
	e)	Land includes an amount of ₹ 118.74 crore (previous year ₹ 115.27 crore) deposited with various authorities in respect of land in possession which is subject to adjustment on final determination of price.
	f)	Possession of land measuring 98 acres (previous year 98 acres) consisting of 79 acres of free-hold land (previous year 79 acres) and 19 acres of lease hold land (previous year 19 acres) of value ₹ 0.21 crore (previous year ₹ 0.21 crore) was transferred to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (UPRVUNL) for a consideration of ₹ 0.21 crore . Pending approval for transfer of the said land, the area and value of this land has been included in the total land of the Company. The consideration received from UPRVUNL is disclosed under 'Other Liabilities' in 'Current Liabilities'.
	g)	The cost of right of use of land for laying pipelines amounting to ₹ 6.46 crore (previous year ₹ 5.76 crore) is included under intangible assets. The right of use, other than perpetual in nature, are amortised over the period of legal right to use as per the rates and methodology notified by CERC Tariff Regulations, 2009 (Regulations, 2009).
	h)	Cost of acquisition of the right to draw water amounting to ₹ 199.52 crore (previous year ₹ 8.41 crore) is included under intangible assets – Right of Use - Others. The right to draw water is amortized considering the life period of 25 years as per the rates and methodology notified by Regulations, 2009.
	i)	Ministry of Power, Government of India vide its notification no. 2/38/99-BTPS (Volume VII) dated 22 nd September 2006 transferred land of a power station to the Company on operating lease of 50 year. Lease rent for the year amounting to ₹ 6.13 crore (previous year ₹ 6.08 crore) has been charged to the statement of Profit & Loss Account.
2	a)	<p>The Central Electricity Regulatory Commission (CERC) notified the Regulations, 2009 in January 2009, containing inter-alia the terms and conditions for determination of tariff applicable for a period of five years with effect from 1st April 2009. Pending determination of station-wise tariff by the CERC, sales have been provisionally recognized at ₹ 48,935.31 crore (previous year ₹ 44,473.93 crore) for the year ended 31st March 2011 on the basis of principles enunciated in the said Regulations on the capital cost considering the orders of Appellate Tribunal for Electricity (APTEL) for the tariff period 2004-2009 including as referred to in para 2 (d).</p> <p>Regulations, 2009 provide that pending determination of tariff by the CERC, the Company has to provisionally bill the beneficiaries at the tariff applicable as on 31st March 2009 approved by the CERC. The amount provisionally billed for the year ended 31st March 2011 on this basis is ₹ 47,519.21 crore (previous year ₹ 43,765.13 crore).</p>
	b)	For the units commissioned subsequent to 1 st April 2009, pending the determination of tariff by CERC, sales of ₹ 4,528.39 crore (previous year ₹ 1,735.40 crore) have been provisionally recognised on the basis of principles enunciated in the Regulations, 2009. The amount provisionally billed for such units is ₹ 4,416.12 crore (previous year ₹ 1,536.50 crore).

	<p>c) Sales of ₹ 800.87 crore (previous year ₹ 119.33 crore) pertaining to previous years have been recognized based on the orders issued by the CERC/APTEL.</p> <p>d) In respect of stations/units where the CERC had issued tariff orders applicable from 1st April 2004 to 31st March 2009, the Company aggrieved over many of the issues as considered by the CERC in the tariff orders, filed appeals with the APTEL. The APTEL disposed off the appeals favourably directing the CERC to revise the tariff orders as per the directions and methodology given. The CERC filed appeals with the Hon'ble Supreme Court of India on some of the issues decided in favour of the Company by the APTEL. The decision of Hon'ble Supreme Court is awaited. The Company had submitted that it would not press for determination of the tariff by the CERC as per APTEL orders pending disposal of the appeals by the Hon'ble Supreme Court.</p> <p>Considering expert legal opinions obtained that it is reasonable to expect ultimate collection, the sales for the tariff period 2004-2009 were recognised in earlier years based on provisional tariff worked out by the Company as per the directions and methodology given by the APTEL. As accountal of sales is subject to the decision of the Hon'ble Supreme Court of India, pending decision of the Hon'ble Supreme Court of India, a sum of ₹ 1,262.86 crore included in debtors has been fully provided for during the year. Effect, if any, will be given in the financial statements upon disposal of the appeals.</p> <p>e) Consequent to issue of additional capitalisation orders by the CERC, advance against depreciation required to meet the shortfall in the component of depreciation to be charged in future years has been reassessed and the excess determined amounting to ₹ 79.75 crore has been recognised as sales.</p> <p>f) During the year, the CERC has issued tariff orders in respect of some of the stations in compliance with the judgement of APTEL mentioned at para d) above, and the beneficiaries were billed accordingly. Since the orders of CERC include those issues which have been challenged by them before Hon'ble Supreme Court, and are pending disposal, the impact thereof amounting to ₹ 252.22 crore has been accounted as 'Advance from customers' in 'Current Liabilities'.</p>
3.	<p>a) Sundry Debtors – Other debts includes ₹ 2,698.86 crore (previous year ₹ 1,001.15 crore) towards revenue accounted in accordance with the accounting policy no. 12.1 which is yet to be billed.</p> <p>b) CERC has issued a draft notification dated 3rd September 2010 which inter-alia provides for upfront truing up of un discharged liabilities with regard to capital cost admitted by CERC before 1st April 2009. In anticipation of final notification an estimated amount of ₹ 263.59 crore has been provided for towards tariff adjustment.</p>
4.	Due to uncertainty of realisation in the absence of sanction by the Government of India (GOI), the Company's share of net annual profits of one of the stations taken over by the Company in June 2006 for the period 1 st April 1986 to 31 st May 2006 amounting to ₹ 115.58 crore (previous year ₹ 115.58 crore) being balance receivable in terms of the management contract with the GOI has not been recognised.
5.	In terms of guidelines of Department of Public Enterprises (DPE), Government of India (GOI), issued vide OM:2(70)/08-DPE(WC)-GL-XIV/08 dated 26.11.2008 and OM:2(70)/08-DPE(WC)-GL-VII/09 dated 02.04.2009, the Company formulated a defined contribution pension scheme and sent to Ministry of Power (MOP) for their approval. Pending approval of MOP, an amount of ₹ 94.56 crore during the year and cumulatively ₹ 468.78 crore has been provided up to 31 st March 2011.
6.	The amount reimbursable to GOI in terms of Public Notice No.38 dated 5 th November, 1999 and Public Notice No.42 dated 10 th October, 2002 towards cash equivalent of the relevant deemed export benefits paid by GOI to the contractors for one of the stations amounted to ₹ 276.80 crore (previous year ₹ 276.80 crore) out of which ₹ 269.70 crore (previous year ₹ 269.70 crore) has been deposited with the GOI and liability for the balance amount of ₹ 7.17 crore (previous year ₹ 7.17 crore) has been provided for. No interest has been provided on the reimbursable amounts as there is no stipulation for payment of interest in the public notices cited above.
7.	As per the direction of MOP, a memorandum of understanding was signed between the Company, Gujarat Power Corporation Ltd. (GPCL) and Gujarat Electricity Board (GEB) on 20 th February 2004 to set up Pipavav Power Project. The Company disassociated from the Pipavav Power Project, a wholly owned subsidiary of the Company, on 24 th May 2007 after obtaining approval from the MOP. MOP, Government of India, conveyed its approval vide Presidential Directive No. 5/5/2004-TH-II dated 3 rd July 2009 for winding-up of the Pipavav Power Development Company Ltd. (PPDCL). The Board of Directors of NTPC Ltd. have also given consent for winding up of the PPDCL.

	<p>MOP vide Presidential Directive No. 5/5/2004-TH-II dated 15th April 2010 conveyed the approval of GOI to permit NTPC for winding up of PPDCL, through striking off the name under Section 560 of the Companies Act, 1956. Registrar of Companies, National Capital Territory of Delhi and Haryana (ROC) has conveyed the name of the PPDCL has been struck-off from the Register of Companies vide their letter dated 28th January 2011.</p> <p>Accordingly, investment in the PPDCL amounting to ₹ 0.37 crore was set off in full against the amount received from GPCL in the earlier years in this regard.</p>
8.	<p>The Government of Madhya Pradesh had notified levy of Madhya Pradesh Grameen Avsanrachana Tatha Sadak Vikas Adhiniyam (MPGATSV) tax on coal with effect from September 2005. The tax was challenged by the coal supplier before the Hon'ble Jabalpur High Court which stayed its collection in April 2006. Hon'ble Jabalpur High Court by its order dated 3rd February 2011 has vacated the interim order of April 2006.</p> <p>The Central Government issued notification no. GSR 322 (E) dated 1st Aug 2007, on royalty which provide for adjustment of cess and tax specific to coal bearing lands so as to limit the overall revenue to the royalty .</p> <p>Various Special Leave Petitions (SLPs) were preferred in the Hon'ble Supreme Court against the levy by the aggrieved parties where-after the Hon'ble Supreme Court passed an interim order staying the coercive collection of the tax. During the year, Hon'ble Supreme Court heard various SLPs and ordered the assesseees to file returns and subsequently in 6th December 2010 ordered the assesseees to pay the taxes without prejudice to their rights in the pending appeals.</p> <p>Subsequent to the vacation of the stay, Northern Coal Fields Ltd, filed SLP in the Hon'ble Supreme Court, which was disposed off on 21.4.2011 in terms of its' earlier order dated 6th Dec 2010. In view of this, liability towards MPGATSV tax for the period from September 2005 to July 2007 amounting to ₹ 255.82 crore has been provided for during the year with consequent recognition in sales.</p>
9.	<p>As a result of issuance of the New Coal Distribution Policy (NCDP) by Ministry of Coal in October 2007, the Company and Coal India Ltd (CIL) renegotiated the Model Coal Supply Agreement (CSA) and Model CSA was signed between the Company & CIL on 29th May 2009. Based on the Model CSA, coal supply agreements have been signed with the various subsidiary companies of CIL by all excepting three of the coal based stations of the Company. The CSAs are valid for a period of 20 years with a provision for review after every 5 years.</p>
10.	<p>The Company challenged the levy of transit fee/entry tax on supplies of coal to some of its power stations and has paid under protest such transit fee/entry tax to Coal Companies/Sales Tax Authorities. Further, in line with the agreement with GAIL India Ltd., the Company has also paid entry tax and sales tax on transmission charges in respect of gas supplies made to various stations in the state of Uttar Pradesh. GAIL India Ltd. has paid such taxes to the appropriate authorities under protest and filed a petition before the Hon'ble High Court of Allahabad challenging the applicability of relevant Act. In case the Company gets refund from Coal Companies/Sales Tax Authorities/GAIL India Ltd. on settlement of these cases, the same will be passed on to respective beneficiaries.</p>
11.	<p>MOP, GOI vide letter dated 24.12.2010 has communicated the discontinuation of one of the Hydro Power Projects of the Company in the State of Uttarakhand. Subsequently, the Company has issued Letter of Frustration to the suppliers/vendors of the project.</p> <p>MOP has sought details of expenditure incurred, committed costs, anticipated expenditure on safety and stabilization measures, other recurring site expenses and interest costs, as well as claims of various packages of contractors/vendors. Management expects that the total cost incurred, anticipated expenditure on safety and stabilization measures, other recurring site expenses and interest costs as well as claims of various packages of contractors/vendors for this project will be compensated in full. Hence, cost incurred on the project up to 31.03.2011 amounting to ₹ 748.82 crore has been accounted as recoverable from GOI and disclosed under 'Claims Recoverable' in 'Loans and Advances'.</p>
12.	<p>Issues related to the evaluation of performance and guarantee test results of steam/turbine generators at some of the stations are under discussion with the equipment supplier. Pending settlement, liquidated damages for shortfall in performance of these equipments have not been recognised.</p>
13.	<p>The Company is executing a thermal power project in respect of which possession certificates for 1,489 acres (previous year 1,489 acres) of land has been handed over to the Company and all statutory and environment clearances for the project have been received. Subsequently, a high power committee has</p>

		been constituted as per the directions of GOI to explore alternate location of the project since present location is stated to be a coal bearing area. Aggregate cost incurred up to 31 st March 2011 ₹ 190.19 crore (previous year ₹ 183.10 crore) is included in 'Fixed Assets' . Management is confident of recovery of cost incurred, hence no provision is considered necessary.
14.		During the year the Company has received an opinion from the Expert Advisory Committee of the Institute of Chartered Accountants of India on accounting treatment of capital expenditure on assets not owned by the Company wherein it was opined that such expenditure are to be charged to the statement of Profit & Loss Account as and when incurred. The Company has represented that such expenditure being essential for setting up of a project, the same be accounted in line with the existing accounting practice and sought a review. Pending receipt of communication regarding the review, existing treatment has been continued as per existing accounting policy.
15.	a)	Certain loans & advances and creditors in so far as these have since not been realised/discharged or adjusted are subject to confirmation/reconciliation and consequential adjustment, if any.
	b)	In the opinion of the management, the value of current assets, loans and advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
16.		Effect of changes in Accounting Policies: During the year, the Office of the Comptroller & Auditor General of India has expressed an opinion that power sector companies shall be governed by the rates of depreciation notified by the CERC for providing depreciation in respect of generating assets in the accounts instead of the rates as per the Companies Act, 1956. Accordingly, the Company revised its accounting policies relating to charging of depreciation w.e.f 1 st April 2009 considering the rates and methodology notified by the CERC for determination of tariff through Regulations, 2009. In case of certain assets, the Company has continued to charge higher depreciation based on technical assessment of useful life of those assets. Consequent to this change, prior period depreciation written back is ₹ 1,116.50 crore, depreciation for the year is lower by ₹ 279.62 crore. As a result, fixed assets and profit before tax for the year is higher by ₹ 1,396.12 crore. Due to the above change, the amount of advance against depreciation (AAD) required to meet the shortfall in the component of depreciation in revenue over the depreciation to be charged off in future years has been reassessed by the Company station-wise as at 1 st April 2009 and the excess determined, amounting to ₹ 727.49 crore has been recognised as prior period sales. Further, the amount recoverable from the beneficiaries on account of deferred tax materialised for the financial year 2009-10 has been reassessed and excess amount of ₹ 212.67 crore is reversed as 'Prior Period Sales' with equivalent reduction in provision for tax of earlier years in the Profit and Loss Account. Further, due to the above change, deferred tax liability (net) and deferred tax recoverable from the beneficiaries as at 31 st March 2010 amounting to ₹ 3,049.41 crore and ₹ 2,840.16 crore respectively have been reviewed and restated to ₹ 4,415.19 crore and ₹ 3,809.69 crore respectively. As a result, deferred tax liability as at 31.03.2010 has increased by ₹ 1,365.78 crore out of which ₹ 969.53 crore is recoverable from the beneficiaries as per Regulation 39 of Regulations, 2009 and net increase is included in the 'Provision for Deferred tax - Earlier years' in the Profit and Loss Account.
17.		Revenue grants recognised during the year is ₹ 0.43 crore (previous year ₹ 1.71 crore).
18.		Disclosure as per Accounting Standard (AS) 15: General description of various defined employee benefit schemes are as under:
	A.	Provident Fund Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution of ₹ 191.19 crore (previous year ₹ 159.70 crore) to the funds for the year is recognised as expense and is charged to the Profit & Loss Account. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence no further provision is considered necessary.

	<p>B. Gratuity & Pension</p> <p>The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.10 crore on superannuation, resignation, termination, disablement or on death.</p> <p>The Company has a scheme of pension at one of the stations in respect of employees taken over from erstwhile State Government Power Utility. In respect of other employees of the Company, pension scheme is yet to be implemented as stated above.</p> <p>The existing schemes are funded by the Company and are managed by separate trusts. The liability for the same is recognised on the basis of actuarial valuation.</p>																																			
	<p>C. Post-Retirement Medical Facility (PRMF)</p> <p>The Company has Post-Retirement Medical Facility (PRMF), under which retired employee and the spouse are provided medical facilities in the Company hospitals / empanelled hospitals. They can also avail treatment as Out-Patient subject to a ceiling fixed by the Company. The liability for the same is recognised on the basis of actuarial valuation.</p>																																			
	<p>D. Terminal Benefits</p> <p>Terminal benefits include settlement at home town for employees & dependents and farewell gift to the superannuating employees. Further, the Company also provides for pension in respect of employees taken over from erstwhile State Government Power Utility at another station. The liability for the same is recognised on the basis of actuarial valuation.</p>																																			
	<p>E. Leave</p> <p>The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. 73.33 % of the earned leave is en-cashable while in service, and upto a maximum of 300 days on separation. Half-pay leave is en-cashable only on separation beyond the age of 50 years up to the maximum of 240 days as per the rules of the Company. The liability for the same is recognised on the basis of actuarial valuation.</p> <p>The above mentioned schemes (C, D and E) are unfunded and are recognised on the basis of actuarial valuation.</p> <p>The summarised position of various defined benefits recognised in the profit and loss account, balance sheet are as under:</p> <p>(Figures given in { } are for previous year)</p>																																			
	<p>i) Expenses recognised in Profit & Loss Account</p> <table border="1" data-bbox="279 1444 1516 1892"> <thead> <tr> <th></th> <th colspan="4" style="text-align: right;">(₹ crore)</th> </tr> <tr> <th></th> <th style="text-align: center;">Gratuity/ Pension</th> <th style="text-align: center;">PRMF</th> <th style="text-align: center;">Leave</th> <th style="text-align: center;">Terminal Benefits</th> </tr> </thead> <tbody> <tr> <td>Current Service Cost</td> <td style="text-align: center;">53.78 {48.91}</td> <td style="text-align: center;">9.74 {8.20}</td> <td style="text-align: center;">38.01 {33.54}</td> <td style="text-align: center;">4.32 {4.99}</td> </tr> <tr> <td>Interest cost on benefit obligation</td> <td style="text-align: center;">85.20 {78.07}</td> <td style="text-align: center;">19.55 {16.00}</td> <td style="text-align: center;">46.80 {48.60}</td> <td style="text-align: center;">13.40 {9.41}</td> </tr> <tr> <td>Expected return on plan assets</td> <td style="text-align: center;">(78.78) {(42.70)}</td> <td style="text-align: center;">- {-}</td> <td style="text-align: center;">- {-}</td> <td style="text-align: center;">- {-}</td> </tr> <tr> <td>Net actuarial (gain)/ loss recognised in the year</td> <td style="text-align: center;">50.37 {(39.93)}</td> <td style="text-align: center;">45.32 {11.59}</td> <td style="text-align: center;">85.47 {34.54}</td> <td style="text-align: center;">16.55 {36.05}</td> </tr> <tr> <td>Expenses recognised in the Profit & Loss Account</td> <td style="text-align: center;">110.57 {44.35}</td> <td style="text-align: center;">74.61 {35.79}</td> <td style="text-align: center;">170.28 {116.68}</td> <td style="text-align: center;">34.27 {50.45}</td> </tr> </tbody> </table>		(₹ crore)					Gratuity/ Pension	PRMF	Leave	Terminal Benefits	Current Service Cost	53.78 {48.91}	9.74 {8.20}	38.01 {33.54}	4.32 {4.99}	Interest cost on benefit obligation	85.20 {78.07}	19.55 {16.00}	46.80 {48.60}	13.40 {9.41}	Expected return on plan assets	(78.78) {(42.70)}	- {-}	- {-}	- {-}	Net actuarial (gain)/ loss recognised in the year	50.37 {(39.93)}	45.32 {11.59}	85.47 {34.54}	16.55 {36.05}	Expenses recognised in the Profit & Loss Account	110.57 {44.35}	74.61 {35.79}	170.28 {116.68}	34.27 {50.45}
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ii) The amount recognised in the Balance Sheet				
				₹ crore
	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 31.03.2011	1185.28 {1065.03}	311.67 {244.40}	651.90 {585.08}	192.29 {167.46}
Fair value of plan assets as at 31.03.2011	1031.68 {987.14}	- {-}	- {-}	- {-}
Net liability recognised in the Balance Sheet	153.60 {77.89}	311.67 {244.40}	651.90 {585.08}	192.29 {167.46}
iii) Changes in the present value of the defined benefit obligations:				
				(₹ crore)
	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 1.04.2010	1065.03 {1040.99}	244.40 {213.29}	585.08 {647.94}	167.46 {125.51}
Interest cost	85.20 {78.07}	19.55 {16.00}	46.80 {48.60}	13.40 {9.41}
Current Service Cost	53.78 {48.91}	9.74 {8.20}	38.01 {33.54}	4.32 {4.99}
Benefits paid	(74.20) {(88.51)}	(7.33) {(4.68)}	(103.46) {(179.54)}	(9.44) {(8.50)}
Net actuarial (gain)/ loss on obligation	(55.47) {(14.43)}	45.31 {11.59}	85.47 {34.54}	16.55 {36.05}
Present value of the defined benefit obligation as at 31.03.2011	1185.28 {1065.03}	311.67 {244.40}	651.90 {585.08}	192.29 {167.46}
iv) Changes in the fair value of plan assets:				
				(₹ crore)
	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Fair value of plan assets as at 1.04.2010	987.14 {536.40}	- {-}	- {-}	- {-}
Expected return on plan assets	78.78 {42.70}	- {-}	- {-}	- {-}
Contributions by employer	31.40 {469.10}	- {-}	- {-}	- {-}
Benefit paid	(70.74) {(86.56)}	- {-}	- {-}	- {-}
Actuarial gain / (loss)	5.10 {25.50}	- {-}	- {-}	- {-}
Fair value of plan assets as at 31.03.2011	1031.68 {987.14}	- {-}	- {-}	- {-}

v) The effect of one percentage point increase/decrease in the medical cost of PRMF will be as under:			
			(₹ crore)
Particulars	Increase by	Decrease by	
Service and Interest cost	5.53	4.44	
Present value of obligation	33.73	52.78	

F. Other Employee Benefits
Provision for Long Service Award and Family Economic Rehabilitation Scheme amounting to ₹ 2.76 crore (previous year credit of ₹ 3.42 crore) for the year have been made on the basis of actuarial valuation at the year end and debited to the Profit & Loss Account.

G.	Details of the Plan Assets The details of the plan assets at cost as on 31 st March are as follows: (₹ crore)																																
	<table border="1"> <thead> <tr> <th></th> <th></th> <th>2011</th> <th>2010</th> </tr> </thead> <tbody> <tr> <td>i)</td> <td>State Government securities</td> <td>237.32</td> <td>229.26</td> </tr> <tr> <td>ii)</td> <td>Central Government securities</td> <td>316.45</td> <td>317.68</td> </tr> <tr> <td>iii)</td> <td>Corporate Bonds/ debentures</td> <td>422.48</td> <td>422.15</td> </tr> <tr> <td>iv)</td> <td>RBI Special Deposit</td> <td>Nil</td> <td>23.99</td> </tr> <tr> <td>v)</td> <td>Money Market Instruments</td> <td>0.74</td> <td>24.90</td> </tr> <tr> <td>vi)</td> <td>Investment with Insurance Companies</td> <td>60.00</td> <td>-</td> </tr> <tr> <td></td> <td>Total</td> <td>1036.99</td> <td>1017.98</td> </tr> </tbody> </table>			2011	2010	i)	State Government securities	237.32	229.26	ii)	Central Government securities	316.45	317.68	iii)	Corporate Bonds/ debentures	422.48	422.15	iv)	RBI Special Deposit	Nil	23.99	v)	Money Market Instruments	0.74	24.90	vi)	Investment with Insurance Companies	60.00	-		Total	1036.99	1017.98
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H.	Actual return on plan assets ₹ 83.89 crore (previous year ₹ 68.16 crore).																																
I.	Actuarial Assumptions Principal assumptions used for actuarial valuation are: <table border="1"> <thead> <tr> <th></th> <th></th> <th>2011</th> <th>2010</th> </tr> </thead> <tbody> <tr> <td>i)</td> <td>Method used</td> <td colspan="2">Projected Unit Credit Method</td> </tr> <tr> <td>ii)</td> <td>Discount rate</td> <td>8.00%</td> <td>7.50%</td> </tr> <tr> <td>iii)</td> <td>Expected rate of return on assets:</td> <td></td> <td></td> </tr> <tr> <td></td> <td>- Gratuity</td> <td>8.00%</td> <td>8.00%</td> </tr> <tr> <td></td> <td>- Pension</td> <td>7.00%</td> <td>7.00%</td> </tr> <tr> <td>iv)</td> <td>Future salary increase</td> <td>5.50%</td> <td>5.00%</td> </tr> </tbody> </table> <p>The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Further, the expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management and historical returns from plan assets.</p>			2011	2010	i)	Method used	Projected Unit Credit Method		ii)	Discount rate	8.00%	7.50%	iii)	Expected rate of return on assets:				- Gratuity	8.00%	8.00%		- Pension	7.00%	7.00%	iv)	Future salary increase	5.50%	5.00%				
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J.	The Company's best estimate of the contribution towards Gratuity/Pension for the financial year 2011-12 is ₹ 35.04 crore.																																
19.	The effect of foreign exchange fluctuation during the year is as under: <ul style="list-style-type: none"> i) The amount of exchange differences (net) debited to the Profit & Loss Account is ₹ 6.50 crore (previous year credit of ₹ 18.91 crore). ii) The amount of exchange differences (net) debited to the carrying amount of fixed assets and Capital work-in-progress is ₹ 168.29 crore {previous year credit of ₹ 1,181.54 crore}. 																																
20.	Borrowing costs capitalised during the year is ₹ 1,743.61 crore (previous year ₹ 1,480.40 crore).																																
21.	Segment information:																																
	a) Business Segments: The Company's principal business is generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy, project management and supervision, oil and gas exploration and coal mining.																																
	b) Segment Revenue and Expense Revenue directly attributable to the segments is considered as Segment Revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as Segment Expenses.																																
	c) Segment Assets and Liabilities Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Construction work-in-progress, construction stores and advances are included in unallocated corporate and other assets. Segment liabilities include operating liabilities and provisions.																																

	Business Segments				(₹ crore)	
	Generation		Others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue :						
Sale of Energy/Consultancy, Project Management and Supervision fees *	54,704.55	46,168.67	169.45	153.92	54,874.00	46,322.59
Internal consumption of electricity	64.68	55.10	-	-	64.68	55.10
Total	54,769.23	46,223.77	169.45	153.92	54,938.68	46,377.69
Segment Result #	12,094.83	10,152.53	50.20	58.16	12,145.03	10,210.69
Unallocated Corporate Interest and Other Income	-	-	-	-	2,166.43	2,467.66
Unallocated Corporate expenses, interest and finance charges	-	-	-	-	2,261.86	1,792.88
Profit before Tax	-	-	-	-	12,049.60	10,885.46
Income/Fringe Benefit Taxes (Net)	-	-	-	-	2,947.01	2,157.26
Profit after Tax	-	-	-	-	9,102.59	8,728.20
Other information						
Segment assets	53,166.50	46,956.86	110.76	143.32	53,277.26	47,100.18
Unallocated Corporate and other assets	-	-	-	-	72,430.11	65,773.57
Total assets	53,166.50	46,956.86	110.76	143.32	125,707.37	112,873.75
Segment liabilities	7,906.27	7,506.66	106.51	88.87	8,012.78	7,595.53
Unallocated Corporate and other liabilities	-	-	-	-	49,802.34	42,840.70
Total liabilities	7,906.27	7,506.66	106.51	88.87	57,815.12	50,436.23
Depreciation (including prior period)	1,333.45	2,617.95	0.13	0.17	1,333.58	2,618.12
Non-cash expenses other than Depreciation	1,542.64	10.88	1.45	-	1,544.09	10.88
Capital Expenditure	11,864.09	9,864.69	270.21	113.85	12,134.30	9,978.54

* Includes ₹ 1,139.38 crore (previous year (-) ₹ 600.60 crore) for sales related to earlier years.

Generation segment result would have been ₹ 10,955.45 crore (previous year ₹ 10,753.13 crore) without including the sales related to earlier years.

d) The operations of the Company are mainly carried out within the country and therefore, geographical segments are inapplicable.

22. Related Party Disclosures:

a) Related parties:

i) Joint ventures:

Utility Powertech Ltd., NTPC-Alstom Power Services Private Ltd., BF-NTPC Energy Systems Ltd.

ii) Key Management Personnel:

Shri Arup Roy Choudhury ¹	Chairman and Managing Director
Shri R.S. Sharma ²	Chairman and Managing Director
Shri Chandan Roy ³	Director (Operations)
Shri A.K. Singhal	Director (Finance)
Shri R.C. Shrivastav ⁴	Director (Human Resources)
Shri I.J. Kapoor	Director (Commercial)
Shri B.P. Singh	Director (Projects)
Shri D.K. Jain ⁵	Director (Technical)
Shri S.P. Singh ⁶	Director (Human Resources)
Shri N.N. Misra ⁷	Director (Operations)

1. W.e.f. 1st September 2010 2. Superannuated on 31st August 2010 3. Superannuated on 31st July 2010 4. Superannuated on 30th June 2010 5. W.e.f. 13th May 2010 6. W.e.f. 16th October 2010 7. W.e.f. 19th October 2010.

b) Transactions with the related parties at a (i) above are as follows:

Particulars	(₹ crore)	
	Current Year	Previous Year
Transactions during the year		
• Contracts for Works/ Services for services received by the Company:		
- Utility Powertech Ltd.	240.52	217.55
- NTPC-Alstom Power Services Private Ltd.	14.15	9.93

<ul style="list-style-type: none"> • Deputation of Employees: <ul style="list-style-type: none"> - Utility Powertech Ltd. - NTPC-Alstom Power Services Private Ltd • Dividend Received: <ul style="list-style-type: none"> - Utility Powertech Ltd. - NTPC-Alstom Power Services Private Ltd. • Amount recoverable for contracts for works/services received: <ul style="list-style-type: none"> - Utility Powertech Ltd. - NTPC-Alstom Power Services Private Ltd • Amount payable for contracts for works/services received: <ul style="list-style-type: none"> - Utility Powertech Ltd. - NTPC-Alstom Power Services Private Ltd • Amount recoverable on account of deputation of employees: <ul style="list-style-type: none"> - Utility Powertech Ltd. - NTPC-Alstom Power Services Private Ltd 	0.50	1.75
	0.57	4.46
	1.00	0.30
	0.36	0.60
	0.60	0.25
	0.87	1.64
47.16	36.14	
17.52	14.68	
0.66	0.73	
0.93	1.81	
<p>The Company has received bank guarantees from Utility Powertech Ltd. for an amount of ₹ 4.18 crore (previous year ₹ 4.02 crore).</p>		
<p>c) Remuneration to key management personnel for the year is ₹ 3.06 crore (previous year ₹ 2.63 crore) and amount of dues outstanding to the Company as on 31st March 2011 are ₹ 0.11 crore (previous year ₹ 0.06 crore).</p>		

23. Disclosure regarding leases:

a)	Finance leases	The Company has taken on lease certain vehicles and has the option to purchase the vehicles as per terms of the lease agreements, details of which are as under:	
		(₹ crore)	
		31.03.2011	31.3.2010
a)	Obligations towards minimum lease payments		
	• Not later than one year	0.68	0.67
	• Later than one year and not later than five years	0.70	0.83
	• Later than five years	-	-
	Total	1.38	1.50
b)	Present value of (a) above		
	• Not later than one year	0.57	0.53
	• Later than one year and not later than five years	0.64	0.74
	• Later than five years	-	-
	Total	1.21	1.27
c)	Finance Charges	0.17	0.23
b)	Operating leases	<p>The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Employees' remuneration and benefits include ₹ 70.23 crore (previous year ₹ 68.85 crore) towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps are included under 'Rent' in 'Generation, Administration and Other Expenses'. Further during the year, the Company has taken a helicopter on wet lease basis and the amount of lease charges is included in 'Miscellaneous Expenses' in 'Generation, Administration and Other Expenses'.</p>	

24.	Earning per share:																																																										
	The elements considered for calculation of Earning Per Share (Basic and Diluted) are as under:																																																										
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25.	a) The item-wise details of deferred tax liability (net) are as under:																																																										
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	The net increase during the year in the deferred tax liability is ₹ 393.69 crore (previous year ₹ 209.10 crore) has been debited to Profit & Loss Account.																																																										
26.	Research and development expenditure charged to revenue during the year is ₹ 28.30 crore (previous year ₹ 20.56 crore).																																																										
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	The above joint venture entities are incorporated in India. The Company's share of the assets, liabilities, contingent liabilities and capital commitment as at 31 st March 2011 and income and expenses for the year in respect of joint venture entities based on audited/unaudited accounts are given below:																																																										

		(₹ crore)	
		31.03.2011	31.03.2010
A.	Assets		
	• Long Term Assets	10,573.99	8,672.88
	• Current Assets	1,255.69	1,032.00
	Total	11,829.68	9,704.88
B.	Liabilities		
	• Long Term Liabilities	7,472.12	6,339.54
	• Current Liabilities and Provisions	1,127.83	915.55
	Total	8,599.95	7,255.09
C.	Contingent Liabilities	123.10	59.89
D.	Capital Commitments	2,673.05	3,989.50
		Current Year	Previous Year
E.	Income	2,442.99	1,836.90
F.	Expenses	2,125.75	1,723.80

b) Joint Venture Operations:

i) During the year, the Company along-with some public sector undertakings has entered into Production Sharing Contracts (PSCs) with GOI for three exploration blocks namely KG- OSN-2009/1, KG-OSN-2009/4 and AN-DWN-2009/13 under VIII round of New Exploration Licensing Policy (NELP VIII) with 10% participating interest (PI) in each of the blocks.

Based on the un-audited statement of the accounts for the above blocks forwarded by M/s Oil & Natural Gas Corporation Ltd., the operator, the Company's share in respect of assets and liabilities as at 31st March 2011 and expenditure for the year are given below :

(₹ crore)	
Item	2010-11 (Un-audited)
Expenses	3.11
Assets	0.03
Liabilities	3.14
Capital Commitments	81.03

ii) Subsequent to the withdrawal by the operator M/s Geopetrol International Inc. from block AA-ONN-2003/2 wherein the Company has 40% PI, attempts to accomplish the residual exploratory activities by reconstituting the consortium did not yield result. Some of the service providers have initiated legal proceedings against the consortium for payment of their claims. The operator has rejected these claims since they are not payable as per the terms of contract. Further, Directorate General of Hydrocarbons (DGH) has communicated the cost of unfinished minimum work programme to the consortium with Company's share being US \$ 7.516 million (**equivalent ₹ 33.99 crore**). The Company has sought waiver of the claim citing force-majeure conditions at site leading to suspension of exploratory activities. The Company expects favourable decision and, hence no provision is considered necessary.

Based on the un-audited statement of the accounts forwarded by the operator, the Company's share in the assets and liabilities as at 31st March 2011 and expenditure for the year is as under:

(₹ crore)		
Item	2010-11 (Un-audited)	2009-10 (Un-audited)*
Expenses	0.43	3.21
Assets	14.64	14.90
Liabilities	1.92	1.76
Contingent liabilities	78.50	46.46
(* Since audited)		

28. As required by Accounting Standard (AS) 28 'Impairment of Assets' notified under the Companies (Accounting Standards) Rules, 2006, the Company has carried out the assessment of impairment of assets. Based on such assessment, there has been no impairment loss during the year.

29.	Foreign currency exposure not hedged by a derivative instrument or otherwise: (₹ crore)			
	Sl. No	Particulars	Currencies	Amount
				31.03.2011 31.03.2010
	a)	Borrowings, including interest accrued but not due thereon.	USD JPY Others	7,157.37 3,125.17 441.21 7,052.16 2,911.30 422.53
	b)	Sundry creditors/deposits and retention monies	USD EURO Others	1,144.72 540.95 30.31 967.18 349.34 41.91
	c)	Sundry debtor and Bank balances	USD	2.08 1.56
	d)	Unexecuted amount of contracts remaining to be executed	USD EURO Others	2,361.57 3,311.03 25.22 3346.52 4642.55 32.88
30.	The pre-commissioning expenses during the year amounting to ₹ 112.75 crore (previous year ₹ 145.88 crore) have been included in Fixed Assets/Capital work-in-progress after adjustment of pre-commissioning sales of ₹ 34.96 crore (previous year ₹ 96.10 crore) resulting in a net pre-commissioning expenditure of ₹ 77.79 crore (previous year ₹ 49.78 crore).			
31.	Payment to the Statutory Auditors: (₹ crore)			
			Current year	Previous year
		Audit Fees	0.82	0.74
		Tax audit Fees	0.29	0.26
		Certification Fees	0.82	0.82
		Reimbursements		
		- Travelling Expenses	0.74	0.43
		- Service Tax	0.20	0.19
		Total	2.87	2.44
32.	a)	Information in respect of Micro, Small and Medium Enterprises as at 31 st March 2011: (₹ crore)		
	Sl.	Particulars	Amount	
	a)	Amount remaining unpaid to any supplier: • Principal amount • Interest due thereon	9.23 -	
	b)	Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along-with the amount paid to the suppliers beyond the appointed day. (* ₹ 7,062/-)	*	
	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 Micro, Small and Medium Enterprises Development Act, 2006.	0.02	
	d)	Amount of interest accrued and remaining unpaid	0.02	
	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 Micro, Small and Medium Enterprises Development Act, 2006	-	

33.	Loans and Advances due from subsidiaries: (₹ crore)																																							
	<table border="1"> <thead> <tr> <th rowspan="2">Name of Subsidiary</th> <th colspan="2">Outstanding Balance as at</th> <th colspan="2">Maximum Amount Outstanding</th> </tr> <tr> <th>31.03.2011</th> <th>31.03.2010</th> <th>31.03.2011</th> <th>31.03.2010</th> </tr> </thead> <tbody> <tr> <td>NTPC Electric Supply Company Ltd.</td> <td>7.82</td> <td>8.68</td> <td>12.56</td> <td>30.61</td> </tr> <tr> <td>NTPC Vidyut Vyapar Nigam Ltd</td> <td>1.25</td> <td>8.50</td> <td>9.20</td> <td>21.16</td> </tr> <tr> <td>NTPC Hydro Ltd.</td> <td>0.38</td> <td>1.00</td> <td>14.07</td> <td>4.02</td> </tr> <tr> <td>Kanti Bijlee Utpadan Nigam Ltd.</td> <td>36.11</td> <td>33.06</td> <td>37.10</td> <td>39.42</td> </tr> <tr> <td>Bharatiya Rail Bijlee Company Ltd.</td> <td>1.53</td> <td>2.03</td> <td>2.14</td> <td>7.19</td> </tr> <tr> <td>Total</td> <td>47.09</td> <td>53.27</td> <td>75.07</td> <td>102.40</td> </tr> </tbody> </table>	Name of Subsidiary	Outstanding Balance as at		Maximum Amount Outstanding		31.03.2011	31.03.2010	31.03.2011	31.03.2010	NTPC Electric Supply Company Ltd.	7.82	8.68	12.56	30.61	NTPC Vidyut Vyapar Nigam Ltd	1.25	8.50	9.20	21.16	NTPC Hydro Ltd.	0.38	1.00	14.07	4.02	Kanti Bijlee Utpadan Nigam Ltd.	36.11	33.06	37.10	39.42	Bharatiya Rail Bijlee Company Ltd.	1.53	2.03	2.14	7.19	Total	47.09	53.27	75.07	102.40
Name of Subsidiary	Outstanding Balance as at		Maximum Amount Outstanding																																					
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34.	<p>Disclosure as required by Clause 32 of Listing Agreements: A. <u>Loans and Advances in the nature of Loans:</u></p> <p>1. To Subsidiary Companies (₹ crore)</p> <table border="1"> <thead> <tr> <th rowspan="2">Name of the Company</th> <th colspan="2">Outstanding Balance as at</th> <th colspan="2">Maximum amount outstanding During the year ended</th> </tr> <tr> <th>31.03.2011</th> <th>31.03.2010</th> <th>31.03.2011</th> <th>31.03.2010</th> </tr> </thead> <tbody> <tr> <td>Kanti Bijlee Utpadan Nigam Ltd.</td> <td>21.71</td> <td>26.29</td> <td>26.29</td> <td>30.75</td> </tr> <tr> <td>NTPC Vidyut Vyapar Nigam Ltd.</td> <td>Nil</td> <td>Nil</td> <td>Nil</td> <td>16.50</td> </tr> </tbody> </table> <p>2. To Firms/Companies in which Directors are interested : Nil</p> <p>3. Where there is no repayment schedule or repayment beyond seven year or no interest or interest below Section 372A of the Companies Act, 1956 : ₹ 21.71 crore</p> <p>B. Investment by the loanee (as detailed above) in the shares of NTPC : Nil</p>	Name of the Company	Outstanding Balance as at		Maximum amount outstanding During the year ended		31.03.2011	31.03.2010	31.03.2011	31.03.2010	Kanti Bijlee Utpadan Nigam Ltd.	21.71	26.29	26.29	30.75	NTPC Vidyut Vyapar Nigam Ltd.	Nil	Nil	Nil	16.50																				
Name of the Company	Outstanding Balance as at		Maximum amount outstanding During the year ended																																					
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Kanti Bijlee Utpadan Nigam Ltd.	21.71	26.29	26.29	30.75																																				
NTPC Vidyut Vyapar Nigam Ltd.	Nil	Nil	Nil	16.50																																				
35.	Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31 st March 2011 is ₹ 23,779.74 crore (previous year ₹ 30,534.58 crore).																																							
36	<p>Contingent Liabilities:</p> <p>1. Claims against the Company not acknowledged as debts in respect of:</p> <p>(i) Capital Works Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the Company for ₹ 3,485.85 crore (previous year ₹ 3,879.77 crore) seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the Company as being not admissible in terms of the provisions of the respective contracts. The company is pursuing various options under the dispute resolution mechanism available in the contract for settlement of these claims. It is not practicable to make a realistic estimate of the outflow of resources if any, for settlement of such claims pending resolution.</p> <p>(ii) Land compensation cases In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹ 1,851.08 crore (previous year ₹ 1,786.25 crore) has been estimated.</p> <p>(iii) Others In respect of claims made by various State/Central Government departments/Authorities towards building permission fees, penalty on diversion of agricultural land to non- agricultural use, Nala tax, Water royalty etc. and by others, contingent liability of ₹ 1,246.62 crore (previous year ₹ 1,248.78 crore) has been estimated.</p> <p>The contingent liabilities referred to in (i) above, includes an amount of ₹ 1,495.35 crore relating to the hydro power project stated above, for which Company envisages possible reimbursement from GOI in full. In respect of balance claims included in (i) and in respect of the claims mentioned at (ii)</p>																																							

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 Regulations subject to prudence check by the CERC. In case of (iii), the estimated possible reimbursement is ₹ 146.97 crore (previous year ₹ 428.90 crore).

2. Disputed Income Tax/Sales Tax/Excise Matters

Disputed Income Tax/Sales Tax/Excise matters are pending before various Appellate Authorities amounting to ₹ 2,465.26 crore (previous year ₹ 2,292.41 crore) are disputed by the Company and contested before various Appellate Authorities. Many of these matters are disposed off in favour of the Company but are disputed before higher authorities by the concerned departments. In such cases, the company estimated possible reimbursement of ₹ 1,793.36 crore (previous year ₹ 1,793.36 crore)

3. Others

Other contingent liabilities amounts to ₹ 398.74 crore (previous year ₹ 266.14 crore)

Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

37.	Managerial remuneration paid/payable to Directors				
			(₹ crore)		
		Current Year	Previous Year		
	Salaries and allowances	2.26	1.95		
	Contribution to provident fund & other funds including gratuity & group insurance	0.40	0.21		
	Other benefits	0.40	0.47		
	Directors' fees	0.28	0.29		
	In addition to the above remuneration the whole time Directors have been allowed the use of staff car including for private journeys, on payment of ₹ 780/- per month, as contained in the Ministry of Finance (BPE) Circular No.2 (18)/pc/64 dt.29.11.64, as amended.				
	The provisions for/contribution to gratuity, leave encashment and post-retirement medical facilities are ascertained on actuarial valuation done on overall Company basis and hence not ascertainable separately.				
38.	Licensed and Installed Capacities as at: (As certified by Management)	Current Year	Previous Year		
	Licensed Capacity - Not applicable				
	Installed Capacity (MW Commercial units)	29,892	28,902		
	Quantitative information in respect of Generation and Sale of Electricity:				
	a) Pre-commissioning period :				
	Generation (in MUs)	162	401		
	Sales (in MUs)	141	338		
	b) Commercial period :				
	Generation (in MUs)	220,379	218,439		
	Sales (in MUs)	206,582	205,091		
	c) Value of imports calculated on CIF basis (₹ crore):				
	Capital goods	965.31	896.97		
	Spare parts	98.73	139.26		
	d) Expenditure in foreign currency (₹ crore):				
	Professional and Consultancy fee	5.80	5.33		
	Interest	514.43	358.82		
	Others	12.21	18.78		
	e) Value of Components, Stores and Spare parts consumed (including fuel) (₹ crore):	%age	Amount	%age	Amount
	Imported	21.68	7,835.18	14.13	4,260.71
	Indigenous	78.32	28,304.29	85.87	25,895.97

	f) Earnings in foreign exchange (₹ crore):		
	Professional & Consultancy fee	1.01	0.80
	Others	0.11	0.05

[39]. Figures have been rounded off to nearest rupees in crores up to two decimals.]

40. Previous year figures have been regrouped /rearranged wherever considered necessary.

Statement of Accounting Ratios-Standalone

₹ Crore

Description	As at/ For the year ended 31.03.2015	As at/ For the year ended 31.03.2014	As at/ For the year ended 31.03.2013	As at/ For the year ended 31.03.2012	As at/ For the year ended 31.03.2011
Basic and diluted Earning per Share (₹) (Net profit after tax/Weighted average number of shares outstanding during the year)	12.48	13.31	15.30	11.19	11.04
(i) Net profit after tax	10,290.86	10,974.74	12,619.39	9,223.73	9,102.59
(ii) Weighted average number of shares outstanding during the year	8,24,54,64,400	8,24,54,64,400	8,24,54,64,400	8,24,54,64,400	8,24,54,64,400
Return on Net Worth (%) (Net profit after tax/Net Worth X 100)	12.60	12.79	15.70	12.59	13.41
(i) Net profit after tax	10,290.86	10,974.74	12,619.39	9,223.73	9,102.59
(ii) Net worth (Shareholders' Fund)	81,657.35	85,815.32	80,387.51	73,291.17	67,892.25
Net Asset Value Per Share (₹) (Net Worth/Number of shares at the end of the year)	99.03	104.08	97.49	88.89	82.34
(i) Net worth (Shareholders' Fund)	81,657.35	85,815.32	80,387.51	73,291.17	67,892.25
(ii) Number of shares at the end of the year	8,24,54,64,400	8,24,54,64,400	8,24,54,64,400	8,24,54,64,400	8,24,54,64,400
Debt to Equity Ratio (Total debt outstanding/Net Worth)	1.05	0.78	0.72	0.69	0.64
(i) Total Debt Outstanding	85,995.34	67,170.22	58,146.30	50,279.37	43,188.24
(ii) Net worth (Shareholders' Fund)	81,657.35	85,815.32	80,387.51	73,291.17	67,892.25

Statement of Dividend- Standalone

₹ Crore

Description	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011
Share Capital	8245.46	8245.46	8245.46	8245.46	8245.46
Amount of Dividend					
Interim Dividend	618.42	3,298.19	3,092.07	2,885.92	2,473.63
Final Dividend	1,442.96	1,442.96	1,649.09	412.27	659.63
Total	2,061.38	4,741.15	4,741.16	3,298.19	3,133.26
Rate of Dividend (%)	25.00	57.50	57.50	40.00	38.00
Corporate Dividend Tax	417.40	804.74	781.87	527.92	514.77

Note: 1.Total dividend does not include issue of bonus debentures of ₹ 10306.83 Crore out of free reserves during the year 2014-15.

2. Further, an amount of ₹ 2060.76 Crore has been paid towards Corporate Dividend Tax for the bonus debentures.

Capitalisation Statement-Standalone

₹ Crore

Description	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011
Debts					
Long Term	78,532.33	62,405.75	53,253.66	45,908.27	39,735.68
Current Maturity of Long Term Debt	7,463.01	4,764.47	4,892.64	4,371.10	3,452.56
Total Debts (A)	85,995.34	67,170.22	58,146.30	50,279.37	43,188.24
Shareholders' Fund					
Share Capital	8,245.46	8,245.46	8,245.46	8,245.46	8,245.46
Reserves & Surplus	73,411.89	77,569.86	72,142.05	65,045.71	59,646.79
Total Shareholder's fund (B)	81,657.35	85,815.32	80,387.51	73,291.17	67,892.25
Debt to Equity Ratio (A/B)	1.05	0.78	0.72	0.69	0.64

Statement of Tax Shelter - Standalone

Sl.	Particulars	2014-15 (Prov.)	2013-14	2012-13	2011-12	2010-11
	Rate of tax	33.99%	33.99%	32.45%	32.45%	33.22%
A	PROFIT BEFORE TAX BUT AFTER EXTRAORDINARY ITEMS	10,546.66	13,904.64	16,578.63	12,326.16	12,049.60
a	Income on which tax to be borne by beneficiaries	0.00	238.59	1,079.49	182.76	506.82
b	Income on which tax to be borne by NTPC	10,546.66	13,666.05	15,499.14	12,143.40	11,542.78
	Total profit Before Tax (a+b)	10,546.66	13,904.64	16,578.63	12,326.16	12,049.60
c	Tax on Income to be borne by beneficiaries	0.00	122.86	518.45	87.77	252.09
d	Tax on Income to be borne by NTPC	3584.81	4645.09	5028.70	3939.93	3834.22
	TOTAL TAX ON BOOK PROFIT(c+d)	3,584.81	4,767.95	5,547.14	4,027.70	4,086.31
	ADJUSTMENT					
B	PERMANENT DIFFERENCES					
	Dividend exempt u/s 10(33)/10(34)/80M	276.75	138.25	241.33	169.30	88.31
	Donations	0.00	-0.15	-0.15	0.11	0.00
	Wealth Tax	-7.97	-4.10	-4.42	-4.18	-3.92
	Tax Holiday claim u/s 80IA/u/s 80G/ u/s 35	3,217.94	5,065.99	5,252.80	3,374.11	3,085.81
	Interest on 8.5% Tax Free Power Bonds & Long Term Advances	216.37	409.30	555.05	702.08	850.60
	Others	0.00	0.27	0.48	198.98	2.91
	Net prior period adjustment	-9.70	-12.84	12.39	0.36	1,111.86
	FBT Recoverable from SEBs	0.00	0.00	0.00	0.00	0.00
	Tax included in sales	0.00	81.10	294.66	65.97	150.05
	CSR expenses	-205.00	0.00	0.00	0.00	0.00
	Refund of sale	0.00	0.00	0.00	55.10	18.40
	TOTAL PERMANENT DIFFERENCE (B)	3,488.39	5,677.82	6,352.14	4,561.83	5,304.02
C	TIMING DIFFERENCES					
	Diff. Between book depreciation and tax depreciation	392.53	50.19	25.54	104.27	495.08
	Profit on sale of assets	4.54	12.86	4.62	13.28	8.16
	Loss on sale of assets	-146.05	-73.92	-59.91	-58.40	-60.87
	Expenditure on assets not owned by the company	0.00	61.04	9.80	6.47	9.76
	Advance against depreciation	283.35	16.05	9.87	73.59	818.79
	Net Provisions disallowed	-32.33	43.88	645.26	251.22	-1,538.47
	Tax duty & other sums u/s 43B	-107.62	-157.95	-170.73	-122.83	-76.66
	Cost of mobile phones	0.00	-2.70	-2.12	-2.28	-10.45
	VRS & other expenses	-40.85	2.58	3.40	2.32	3.67
D	TOTAL TIMING DIFFRENCES (C)	353.57	-47.97	465.73	267.64	-350.99
E	NET ADJUSTMENT (B+C)	3841.96	5629.85	6817.87	4829.47	4953.03
	TAX SAVING ON					
	Income to be passed through to beneficiaries	0.00	41.76	223.80	16.51	99.88
	Income to be borne by NTPC	1305.88	1886.02	2060.87	1555.77	1578.57
F	TOTAL TAX SAVING	1305.88	1927.78	2284.67	1572.28	1678.45
		2278.93	2840.17	3262.48	2455.42	2407.86
	TAXABLE INCOME AS PER IT RETURN *					
	Income on which tax to be borne by beneficiaries	0.00	157.49	613.50	148.38	306.01
	Income on which tax to be borne by NTPC	6704.70	8117.29	9147.27	7348.33	6790.57
G	TOTAL TAXABLE INCOME	6704.70	8274.78	9760.77	7496.71	7096.58
	TAX AS PER INCOME TAX RETURN *					
	Tax on Income to be borne by beneficiaries	0.00	81.10	294.65	71.26	152.21
	Tax on Income to be borne by NTPC	2278.93	2759.07	2967.83	2384.17	2255.66
H	TOTAL TAX AS PER RETURN	2278.93	2840.16	3262.48	2455.43	2407.87

Note: * Income Tax Return yet to be filed for FY 2014-15

**INDEPENDENT AUDITORS' REPORT ON
CONSOLIDATED REFORMATTED FINANCIAL INFORMATION**

The Board of Directors,
NTPC Limited,
Core -7, SCOPE Complex,
Lodi Road,
New Delhi – 110 003

Dear Sirs,

1. We have examined the attached Consolidated Reformatted Financial Information of NTPC Limited (the "Company"), its Subsidiaries and Joint Venture Companies as approved by the Official authorised by a Committee of the Board of Directors, prepared in accordance with Section 26(1)(b) of Part I of Chapter III of the Companies Act, 2013 and the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended ("SEBI Regulations") issued by Securities and Exchange Board of India in pursuance of Section 11A of the Securities and Exchange Board of India Act, 1992 as amended and related clarifications, and in accordance with our engagement letter dated August 31, 2015 and scope agreed upon with you in connection with the Draft Prospectus/Prospectus being issued by the Company for Proposed Issue of Tax Free Secured Redeemable Non-Convertible Bonds (the "Bonds"), having benefits under section 10(15)(iv)(h) of the Income Tax Act, 1961, as amended.
2. The preparation and presentation of this Consolidated Reformatted Financial Information is the responsibility of Company's management. This Consolidated Reformatted Financial Information has been regrouped and reclassified in accordance with Schedule III of the Companies Act, 2013 for the financial years ended March 31, 2015, 2014, 2013, 2012 and 2011 (but not restated retrospectively for change in any accounting policies) and is to be included in the Draft Prospectus/Prospectus in connection with the proposed Issue of Tax Free Bonds, having benefits under section 10(15)(iv)(h) of the Income Tax Act, 1961.

A. Consolidated Financial Information as reformatted on the basis of the Consolidated Audited Financial Statements

We have examined the attached Consolidated Reformatted Statement of Assets and Liabilities of the Company, its Subsidiary and Joint Venture Companies as at March 31, 2015, 2014, 2013, 2012 and 2011 (Annexure I) and the attached Consolidated Reformatted Statement of Profit and Loss for the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (Annexure II) and the attached Consolidated Reformatted Statement of Cash Flows for the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (Annexure III) which together with the related Notes to Accounts (Annexure IV) and Significant Accounting Policies and other Notes to Accounts (Annexure V) are herein referred to as "Consolidated Reformatted Financial Information".

This Consolidated Reformatted Financial Information has been extracted by the management from the audited consolidated financial statements of the Company, its Subsidiary and Joint Venture Companies after making such adjustments and regroupings as considered appropriate. For our examination, we have placed reliance on the consolidated financial statements of the Company audited by the following auditors:

Name of the Auditors	Report Dated	Financial Year
M/s O. P. Bagla & Co., M/s PSD & Associates, M/s PKF Sridhar & Santhanam LLP, M/s V. Sankar Aiyar & Co., M/s Ramesh C. Agarwal & Co. and M/s A. R. & Co.	May 29, 2015	2014-15
M/s O. P. Bagla & Co., M/s K. K. Soni & Co., M/s PKF Sridhar & Santhanam, M/s V. Sankar Aiyar & Co., M/s Ramesh C. Agarwal & Co. and M/s A. R. & Co.	May 15, 2014 May 10, 2013 May 10, 2012	2013-14 2012-13 2011-12
M/s Varma and Varma, M/s B. C. Jain & Co., M/s Parakh & Co., M/s Dass Gupta & Associates, M/s S. K. Mehta & Co. and M/s K. K. Soni & Co.	May 10, 2011	2010-11



The Consolidated Reformatted Financial Information included for these years, i.e. March 31, 2015, 2014, 2013, 2012 & 2011 is based solely on the reports submitted by them. These financial statements have been approved by the Board of Directors of the Company in the respective years.

The financial statements of the following subsidiary and joint venture companies have been audited by other auditors as detailed below and whose reports have been furnished to the auditors of respective years and our opinion in so far as it relates to the amounts included in the Consolidated Reformatted Financial Information is based solely on the Audited Consolidated Financial Statements of the respective years:

Name of the Company	Name of the Auditor	Financial Year
Subsidiaries:		
1) NTPC Electric Supply Company Ltd.	M/s Bhudladia & Co. M/s P R Kumar & Co	2010-11 to 2013-14 2014-15
2) NTPC Hydro Ltd. (amalgamated with NTPC Ltd. w.e.f. 18 th December 2013)	M/s KSMN & Co. M/s Rohtas & Hans	2010-11 & 2011-12 2012-13
3) NTPC Vidyut Vyapar Nigam Ltd.	M/s Aiyar & Co. M/s S S Kothari Mehta & Co.	2010-11 to 2012-13 2014-15
4) Kanti Bijlee Utpadan Nigam Ltd	M/s GRA & Associates M/s B.B. Mathur & Co.	2010-11 2011-12 to 2014-15
5) Bhartiya Rail Bijlee Company Ltd.	M/s H.S Madan & Co. M/s I.P. Pasricha & Co. M/s N C Agarwal & Co.	2010-11 2011-12 & 2012-13 2013-14 & 2014-15
Joint Ventures:		
1) Utility Powertech Ltd.	M/s Haribhakti & Co.	2010-11 to 2014-15
2) NTPC -Alstom Power Services Pvt. Ltd.	M/s Price Waterhouse M/s S. N. Dhawan & Co.	2010-11 to 2012-13 2013-14 & 2014-15
3) NTPC- SAIL Power Company Pvt. Ltd.	M/s Rajendra K. Goel & Co.	2013-14 & 2014-15
4) NTPC-Tamilnadu Energy Company Ltd	M/s Khanijo & Khanijo M/s M. Kuppuswamy PSG & Co. LLP	2011-12 2012-13 to 2014-15
5) Ratnagiri Gas & Power Pvt. Ltd.	M/s D. S. Shukla & Co.	2010-11
6) Aravali Power Company Pvt. Ltd.	M/s VAR & Associates M/s KSMC & Associates M/s R Vender Gupta & Associates	2010-11 2012-13 & 2013-14 2014-15
7) NTPC-SCCL Global Venture Pvt. Ltd.	M/s Sandeep Ahuja & Co.	2010-11
8) Meja Urja Nigam Pvt Ltd.	M/s Pramod Maheshwari & Co. M/s Ashwani Sood & Associates	2010-11 2011-12 to 2014-15
9) NTPC-BHEL Power Project Pvt. Ltd	M/s Uberoi Sood & Kapoor	2010-11 & 2011-12
10) BF-NTPC Energy Systems Ltd.	M/s S. N. Dhawan & Co.	2014-15
11) Nabinagar Power Generating Company Pvt. Ltd.	M/s LD & Associates M/s R. P. Singal & Co. M/s Ahmad Shukla Jain & Associates	2010-11 2011-12 2012-13 to 2014-15
12) National Power Exchange Ltd.	M/s Bansal Sinha & Co.	2010-11
13) National High Power Test Laboratory Pvt. Ltd.	M/s Dua & Associates	2011-12, 2012-13 & 2014-15
14) Transformers and Electricals Kerala Ltd.	M/s Elias George & Co. M/s G. Joseph & Associates	2011-12 2012-13
15) Anushakti Vidyut Nigam Ltd.	M/s K. U. Kothari & Co. M/s Agarwal & Mangal	2013-14 2014-15
16) KINESCO Power & Utilities Pvt. Ltd., a 50% joint venture of NTPC Electric Supply Company Ltd., (a wholly owned subsidiary of NTPC Ltd.) with KINFRA, a statutory body of Government of Kerala.)	M/s Ravi & Sabin M/s Thomas Manianganadan & Associates M/s Menon & Menon	2010-11 & 2011-12 2012-13 2013-14



The amount of assets, revenues and net cash flows in respect of these subsidiary and joint venture companies to the extent to which they are reflected in the Consolidated Reformatted Financial Information for the years ended March 31, 2015, 2014, 2013, 2012 and 2011 are as under:

Financial Year	Total Assets	Total Revenue	₹ Crore
			Net Cash Flows
2010-11	10,738.37	1,853.41	70.53
2011-12	9,016.23	668.87	275.07
2012-13	17,637.76	1,992.30	(205.85)
2013-14	13,251.41	3,655.83	52.57
2014-15	15,490.86	4,353.93	(6.02)

The financial statements of following joint venture companies were unaudited for the periods indicated below and were solely based on the financial statements certified by the management of the respective entities.

Name of the Company	Financial Year
Subsidiaries:	
1) NTPC Vidyut Vyapar Nigam Ltd.	2013-14
Joint Ventures:	
1) NTPC- SAIL Power Company Pvt. Ltd.	2010-11 to 2012-13
2) NTPC-Tamilnadu Energy Company Ltd	2010-11
3) Ratnagiri Gas & Power Pvt. Ltd.	2011-12 to 2014-15
4) Aravali Power Company Pvt. Ltd.	2011-12
5) NTPC-SCCL Global Venture Pvt. Ltd.	2011-12 to 2014-15
6) NTPC-BHEL Power Project Pvt. Ltd	2012-13 to 2014-15
7) BF-NTPC Energy Systems Ltd.	2010-11 to 2013-14
8) National Power Exchange Ltd.	2011-12 to 2014-15
9) International Coal Venture Pvt. Ltd.	2010-11 to 2014-15
10) National High Power Test Laboratory Pvt. Ltd	2010-11, 2013-14
11) Transformers and Electricals Kerala Ltd.	2010-11, 2013-14 & 2014-15
12) Energy Efficiency Services Ltd.	2010-11 to 2014-15
13) CIL NTPC Urja Pvt. Ltd.	2010-11 to 2014-15
14) Anushakti Vidyut Nigam Ltd.	2011-12 & 2012-13
15) Pan-Asian Renewables Private Ltd.	2011-12 to 2014-15
16) Trincomalee Power Company Ltd.	2011-12 to 2014-15
17) Bangladesh-India Friendship Power Company Pvt. Ltd.	2013-14 & 2014-15
18) KINESCO Power & Utilities Pvt. Ltd., a 50% joint venture of NTPC Electric Supply Company Ltd., (a wholly owned subsidiary of NTPC Ltd.) with KINFRA, a statutory body of Government of Kerala.)	2014-15

The amount of assets, revenues and net cash-flows in respect of these joint venture companies to the extent to which they are reflected in the Consolidated Reformatted Financial Information for the years ended March 31, 2015, 2014, 2013, 2012 and 2011 are as under:

Financial Year	Total Assets	Total Revenue	₹ Crore
			Net Cash Flows
2010-11	4,176.78	812.52	7.57
2011-12	10,143.11	3,244.45	0.22
2012-13	5,971.33	1,775.75	130.49
2013-14	4,461.80	856.21	(162.19)
2014-15	3,548.51	449.35	(35.55)



We have performed such tests and procedures, which in our opinion were necessary for the purpose of our examination. These procedures, mainly involved comparison of the attached Consolidated Reformatted Financial Information with the Company's consolidated audited financial statements for the financial years ended March 31, 2015, 2014, 2013, 2012 and 2011 and reclassification as per "SEBI Regulations" and the provisions of the Companies Act, 2013.

Based on the above, we report that in our opinion and according to the information and explanations given to us, we have found the same to have been correctly extracted and reclassified and the same have been accordingly used in the Consolidated Reformatted Financial Information appropriately.

We further report that;

1. The Consolidated Reformatted Financial Information has been prepared in accordance with the requirements of Section 26(1)(b) of Part I of Chapter III of the Companies Act, 2013 and the SEBI Regulations.
2. The profits have been arrived at after charging all expenses including depreciation and after making such regroupings as in our opinion are appropriate and are to be read with the Notes to Accounts and Significant Accounting Policies and other notes attached thereto and forming part of the Consolidated Reformatted Financial Information.
3. There is no qualification in the auditors' report on the consolidated financial statements for the years ended March 31, 2015, 2014, 2013, 2012 and 2011. However, there are emphasis of matter in the auditors' reports as included in Annexure-A to this report which is to be read with Significant Accounting Policies and Notes to Accounts.
4. There are no extraordinary items that need to be disclosed separately in the Consolidated Reformatted Financial Information.

B. Other Reformatted Consolidated Financial Information

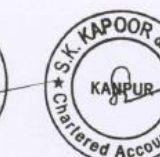
We have examined the following Consolidated Reformatted Financial Information relating to the Company, its Subsidiary and Joint Venture Companies proposed to be included in the Draft Prospectus/Prospectus and annexed to this report.

- i. Statement of Accounting Ratios as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (Annexure VI).
- ii. Statement of Dividend as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (Annexure VII).
- iii. Capitalisation Statement as at and for each of the years ended March 31, 2015, 2014, 2013, 2012 and 2011 (Annexure VIII).

In our opinion, the Consolidated Reformatted Financial Information and Other Consolidated Reformatted Financial Information of the Company, its Subsidiary and Joint Venture Companies, as attached to this report and as mentioned in paragraphs A and B above, read with Annexure-A to our report, respective significant accounting policies and notes to accounts, after making necessary adjustments and regroupings as considered appropriate, have been prepared in accordance with Section 26(1)(b) of Part I of Chapter III of provisions of the Companies Act, 2013 and SEBI Regulations.

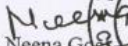
This report is intended solely for the use of the management and the Lead Managers and for inclusion in Draft Prospectus/Prospectus in connection with the proposed Issue and is not to be used, referred to or distributed for any other purpose without our prior written consent.

This report should neither in any way be construed as a re-issuance or redrafting of any of the previous audit reports issued by other firms of chartered accountants nor construed as a new opinion on any consolidated financial statements referred to herein.




We have no responsibility to update our report for events and circumstances occurring after the date of this report.

For T.R. Chadha & Co.
Chartered Accountants
FRN 006711


(Neena G. Chadha)
Partner
M. No.057986

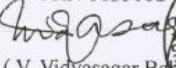


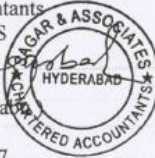
For PSD & Associates
Chartered Accountants
FRN 004501C


(Chandra Sharma)
Partner
M. No.079236




For Sagar & Associates
Chartered Accountants
FRN 003510S


(V. Vidyasagar Bhat)
Partner
M. No.027357

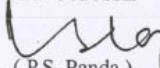


For Kalani & Co.
Chartered Accountants
FRN 000727


(Vikas Gupta)
Partner
M. No.077076




For P. A. & Associates
Chartered Accountants
FRN 313085E


(P.S. Panda)
Partner
M. No.051092

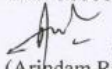


For S. K. Kapoor & Co.
Chartered Accountants
FRN 000745C


(Sanjay Kapoor)
Partner
M. No.070487



For B. M. Chatrath & Co.
Chartered Accountants
FRN 301011E


(Arindam Ray)
Partner
M. No. 058713



Place: New Delhi
Date : September 9, 2015

ANNEXURE - A

Emphasis of Matter/Attention Drawn in the Auditors' Report

Sl. No.	For the Year/ Period ended	Emphasis of Matter/Attention Drawn
1	31 st March 2015	We draw attention to the following matters in the Notes to the consolidated financial statements: a) Note No 22 (b) in respect of accounting of sales on provisional basis and b) Note No 35 in respect of a project of the Holding Company where the matter is pending before the Hon'ble Supreme Court of India. Our opinion is not modified in respect of these matters.
2	31 st March 2014	Without qualifying our report, we draw attention to Note 33 in respect of accounting of fuel on GCV based pricing system.
3	31 st March 2013	Without qualifying our report, we draw attention to Note No. 35 to the financial statement in respect of accounting of fuel on GCV based pricing system.
4	31 st March 2012	Without qualifying our report, we draw attention to note no. 23 a) and 23 b) in respect of accounting of sales on provisional basis pending determination of tariff by the Central Electricity Regulatory Commission.
5	31 st March 2011	Without qualifying our report, we draw attention to note no. 3 a) and b) in respect of accounting of sales on provisional basis pending determination of tariff by the Central Electricity Regulatory Commission.



ANNEXURE - I**CONSOLIDATED REFORMATTED STATEMENT OF ASSETS AND LIABILITIES**

₹ Crore

Particulars	Note	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011
EQUITY AND LIABILITIES						
Shareholders' funds						
Share capital	1	8,245.46	8,245.46	8,245.46	8,245.46	8,245.46
Reserves and surplus	2	73,848.52	79,084.26	73,230.42	66,157.33	60,198.06
		82,093.98	87,329.72	81,475.88	74,402.79	68,443.52
Deferred revenue	3	1,394.15	1,609.88	1,244.05	1,430.06	854.48
Minority interest		887.94	680.43	644.81	595.59	485.05
Non-current liabilities						
Long-term borrowings	4	93,362.92	75,542.30	64,587.72	54,851.94	47,059.57
Deferred tax liabilities (net)	5	1,265.61	1,239.31	1,080.72	764.49	671.65
Other long-term liabilities	6	3,481.85	3,081.58	2,217.66	1,791.57	2,469.03
Long-term provisions	7	1,143.37	896.80	761.20	623.49	568.52
		99,253.75	80,759.99	68,647.30	58,031.49	50,768.77
Current liabilities						
Short-term borrowings	8	640.15	433.64	382.16	150.16	39.40
Trade payables	9	7,107.63	7,223.96	5,862.29	5,037.97	4,374.31
Other current liabilities	10	20,202.14	14,427.18	13,165.07	12,195.79	9,362.10
Short-term provisions	11	7,996.41	7,580.33	7,289.02	3,411.09	2,284.51
		35,946.33	29,665.11	26,698.54	20,795.01	16,060.32
TOTAL		2,19,576.15	2,00,045.13	1,78,710.58	1,55,254.94	1,36,612.14
ASSETS						
Non-current assets						
Goodwill on consolidation		0.62	0.62	0.62	0.62	0.62
Fixed assets						
Tangible assets	12	91,579.48	83,957.77	71,578.34	50,913.47	44,652.15
Intangible assets	12	272.92	249.59	253.75	217.40	208.85
Capital work-in-progress	13	67,524.31	53,819.15	46,553.36	50,396.97	41,091.98
Intangible assets under development	13	30.38	5.81	1.28	1.29	0.04
Non-current investments	14	14.12	1,663.46	3,300.42	4,922.88	6,545.33
Long-term loans and advances	15	16,631.62	14,157.35	11,058.61	6,216.05	7,700.47
Other non-current assets	16	1,731.08	1,805.99	1,503.91	1,375.16	463.40
		1,77,784.53	1,55,659.74	1,34,250.29	1,14,043.84	1,00,662.84
Current assets						
Current investments	17	1,887.39	1,636.96	1,622.46	1,622.46	1,812.00
Inventories	18	7,972.46	5,988.48	4,575.78	4,177.91	3,910.83
Trade receivables	19	9,249.92	6,725.66	6,096.15	6,681.02	1,746.27
Cash and bank balances	20	14,251.61	17,050.67	18,738.12	18,087.39	17,856.17
Short-term loans and advances	21	2,456.70	3,230.15	1,718.34	1,676.66	1,219.36
Other current assets	22	5,973.54	9,753.47	11,709.44	8,965.66	9,404.67
		41,791.62	44,385.39	44,460.29	41,211.10	35,949.30
TOTAL		2,19,576.15	2,00,045.13	1,78,710.58	1,55,254.94	1,36,612.14

ANNEXURE - II

CONSOLIDATED REFORMATTED STATEMENT OF PROFIT AND LOSS

₹ Crore

Particulars	Note	For the year ended				
		31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Revenue						
Revenue from operations (gross)	23	81,367.02	79,648.12	72,705.87	66,597.35	57,953.96
Less: Electricity duty / Excise duty		744.98	697.49	571.56	472.64	313.47
Revenue from operations (net)		80,622.04	78,950.63	72,134.31	66,124.71	57,640.49
Other income	24	2,078.91	2,760.12	3,147.92	2,947.37	2,400.25
Total revenue		82,700.95	81,710.75	75,282.23	69,072.08	60,040.74
Expenses						
Fuel		51,461.12	47,790.26	42,827.77	43,302.66	36,414.35
Electricity purchased		2,082.64	2,189.97	2,673.49	76.01	10.91
Employee benefits expense	25	3,889.69	4,038.63	3,573.98	3,301.56	2,965.50
Cost of material and services		631.02	315.81	309.58	324.86	243.73
Change in inventories of finished goods, work-in-progress		4.64	1.66	2.66	0.32	3.41
Finance costs	26	3,570.37	3,203.07	2,480.54	2,134.72	1,725.75
Depreciation and amortisation expense		5,564.61	4,769.99	3,823.22	3,107.09	2,719.69
Generation, administration & other expenses	27	5,358.87	4,903.75	4,582.11	4,003.66	5,227.20
Prior period items (net)	28	(318.22)	11.85	(33.78)	(316.06)	(1,662.13)
Total expenses		72,244.74	67,224.99	60,239.57	55,934.82	47,648.41
Profit before tax and exceptional items		10,456.21	14,485.76	15,042.66	13,137.26	12,392.33
Exceptional items		-	-	1,568.29	-	-
Profit before tax		10,456.21	14,485.76	16,610.95	13,137.26	12,392.33
Tax expense						
Current tax		442.30	2,934.59	3,743.81	3,261.17	2,602.16
Deferred tax		1,023.87	158.59	316.23	92.73	441.94
Less: Deferred asset for deferred tax liability		994.66	-	-	-	-
MAT credit recoverable		7.67	10.82	35.31	31.30	-
Total tax expense		463.84	3,082.36	4,024.73	3,322.60	3,044.10
Profit after tax		9,992.37	11,403.40	12,586.22	9,814.66	9,348.23
Less: Share of Profit/(loss)-Minority interest		6.03	(0.21)	(4.56)	1.87	(5.17)
Group profit after tax		9,986.34	11,403.61	12,590.78	9,812.79	9,353.40
Expenditure during construction period (net)	29					
Earnings per equity share (Par value of ₹ 10/- each)						
Basic & Diluted		12.11	13.83	15.27	11.90	11.34

CONSOLIDATED REFORMATTED STATEMENT OF CASH FLOWS

₹ Crore

For the Year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
A. CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit before tax	10,456.21	14,485.76	16,610.95	13,137.26	12,392.33
Adjustment for:					
Depreciation / amortisation	5,564.61	4,769.99	3,823.22	3,107.09	2,719.69
Prior period depreciation / amortisation	15.62	3.73	3.93	(0.43)	(1,170.72)
Provisions	231.84	160.54	272.33	204.36	1,552.77
Deferred revenue on account of advance against depreciation	(283.35)	(16.06)	(9.87)	(73.58)	(818.79)
Deferred foreign currency fluctuation asset/liability	244.39	(215.77)	238.75	(876.83)	(58.28)
Deferred income from foreign currency fluctuation	(22.50)	516.36	79.56	792.00	90.46
Fly ash utilisation reserve fund	76.74	91.30	107.95	68.02	48.34
Exchange differences on translation of foreign currency cash and cash equivalents	(0.02)	(0.19)	-	-	-
Interest charges	3,528.57	3,164.29	2,457.80	2,103.98	1,689.63
Guarantee fee & other finance charges	41.80	38.78	22.74	30.74	36.12
Interest/income on term deposits/bonds/investments	(1,581.36)	(2,130.45)	(2,475.64)	(2,381.51)	(2,093.79)
Dividend income	(160.22)	(139.06)	(217.79)	(151.71)	(74.30)
Provisions written back	(187.14)	(200.86)	(908.53)	(445.85)	(7.84)
	7,468.98	6,042.60	3,394.45	2,376.28	1,913.29
Operating Profit before Working Capital Changes	17,925.19	20,528.36	20,005.40	15,513.54	14,305.62
Adjustment for:					
Trade receivables	(2,976.09)	(629.02)	1,417.14	(3,400.03)	(2,850.90)
Inventories	(1,677.83)	(1,154.24)	(186.21)	(96.95)	(252.20)
Trade payables, provisions and other liabilities	1,019.90	1,378.81	1,778.39	858.96	1,477.14
Loans & Advances and Other current assets	2,464.63	(906.42)	(3,419.45)	(198.84)	(714.19)
	(1,169.39)	(1,310.87)	(410.13)	(2,836.86)	(2,340.15)
Cash generated from operations	16,755.80	19,217.49	19,595.27	12,676.68	11,965.47
Direct taxes paid	(2,009.95)	(2,686.65)	(2,979.54)	(1,211.70)	(2,447.89)
Net Cash from Operating Activities - A	14,745.85	16,530.84	16,615.74	11,464.98	9,517.58
B. CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of fixed assets	(19,177.24)	(18,948.45)	(20,405.74)	(13,149.72)	(11,595.92)
Purchase of investments	2.12	-	-	-	-
Sale of investments	1,636.96	1,622.46	1,628.83	1,628.83	1,651.45
Interest/income on term deposits/bonds/investments received	1,847.03	2,453.40	2,474.48	2,301.30	1,910.90
Income tax paid on interest income	(303.59)	(775.89)	(760.53)	(690.09)	(586.27)
Dividend received	160.22	139.06	217.79	151.71	74.30
Net cash used in Investing Activities - B	(15,834.50)	(15,509.42)	(16,845.17)	(9,757.97)	(8,545.54)
C. CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from long term borrowings	25,450.85	14,523.70	14,381.51	10,712.62	10,543.51
Repayment of long term borrowings	(5,076.24)	(5,189.74)	(4,603.31)	(3,651.79)	(4,308.44)
Proceeds from Short term borrowings	206.51	51.48	232.00	110.76	27.31
Grants received etc.	20.00	20.32	54.90	121.22	279.16
Interest paid	(7,124.72)	(6,088.36)	(4,922.38)	(4,721.80)	(3,742.01)
Guarantee fee & other finance charges paid	(112.36)	(154.55)	(139.40)	(98.68)	(64.62)
Dividend paid (including bonus debentures)	(12,388.20)	(5,018.96)	(3,550.10)	(3,550.10)	(3,149.16)
Tax on dividend (including tax on bonus debentures)	(2,450.34)	(852.95)	(573.06)	(573.06)	(523.08)
Net cash used in Financing Activities - C	(1,474.50)	(2,709.06)	880.16	(1,650.83)	(937.33)
D. Exchange differences on translation of foreign currency cash and cash equivalents	0.02	0.19	-	-	-
Net increase/decrease in cash and cash equivalents (A+B+C+D)	(2,563.13)	(1,687.45)	650.73	56.18	34.71
Cash and cash equivalents at the beginning of the year	17,050.67	18,738.12	18,087.39	18,031.21	17,996.50
Cash and cash equivalents at the end of the period	14,487.54	17,050.67	18,738.12	18,087.39	18,031.21

Not 1. Cash and cash equivalents consist of cheques, drafts, stamps in hand, balances with banks and investments in liquid mutual funds.

2. Previous year figures have been regrouped/rearranged wherever considered necessary.

NOTES TO ACCOUNTS**1. Share capital**

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Equity share capital					
Authorised					
10,00,00,00,000 shares of par value of ₹10/- each (previous year 10,00,00,00,000 shares of par value of ₹10/- each)	10,000.00	10,000.00	10,000.00	10,000.00	10,000.00
Issued, subscribed and fully paid-up					
8,24,54,64,400 shares of par value of ₹10/- each (previous year 8,24,54,64,400 shares of par value of ₹10/- each)	8,245.46	8,245.46	8,245.46	8,245.46	8,245.46

2. Reserves and surplus

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Capital reserve					
As per last financial statements	400.97	408.97	391.33	362.82	282.44
Add : Transfer from surplus	0.12	4.98	0.97	0.44	6.87
Add : Grants received during the year	20.00	20.32	41.24	76.98	113.18
Less : Adjustments during the year	23.49	33.30	24.57	48.91	39.67
Closing balance	397.60	400.97	408.97	391.33	362.82
Securities premium account					
As per last financial statements	2,228.34	2,228.11	2,228.11	2,228.11	2,228.11
Add : Received during the year	-	0.23	-	-	-
	2,228.34	2,228.34	2,228.11	2,228.11	2,228.11
Foreign currency translation reserve					
	0.76	0.15	(0.41)	(0.83)	-
Debt service reserve					
As per last financial statements	244.01	81.84	-	-	-
Add : Transfer from surplus	3.41	162.17	81.84	-	-
Closing balance	247.42	244.01	81.84	-	-
Self insurance reserve					
As per last financial statements	21.80	50.11	50.11	-	-
Add: Transfer from surplus	-	-	-	50.11	-
Less: Transfer to surplus	-	27.49	-	-	-
Adjustments during the year	(21.57)	0.82	-	-	-
	43.37	21.80	50.11	50.11	-
Bonds redemption reserve					
As per last financial statements	2,764.91	2,535.33	2,389.04	2,231.66	1,986.72
Add : Transfer from surplus	1,156.19	576.08	492.79	482.38	494.94
Less : Transfer to surplus	296.50	346.50	346.50	325.00	250.00
Closing balance	3,624.60	2,764.91	2,535.33	2,389.04	2,231.66
Fly ash utilization reserve fund					
As per last financial statements	326.23	234.93	126.98	58.96	10.62
Add: Transfer from					
Revenue from operations	115.11	122.55	108.86	84.30	58.02
Other income	21.08	17.01	19.69	-	-
Less: Utilised during the year					
Capital expenditure	12.72	0.49	0.05	4.05	-
Employee benefits expense	20.33	5.73	6.94	5.59	5.58
Other administration expenses	26.37	42.04	13.61	6.64	4.10
	403.00	326.23	234.93	126.98	58.96
Corporate social responsibility (CSR) reserve					
As per last financial statements	-	-	-	-	-
Add: Transfer from surplus	78.92	-	-	-	-
	78.92	-	-	-	-
General reserve					
As per last financial statements	71,965.83	66,958.67	60,339.89	55,087.18	49,871.20
Add : Transfer from surplus	7,020.16	5,012.08	6,643.18	5,298.09	5,216.14
Less: Issue of bonus debentures	10,306.83	-	-	-	-
Dividend distribution tax on bonus debentures	2,060.76	-	-	-	-
Adjustments during the year	455.57	4.92	24.40	45.38	0.16
	66,162.83	71,965.83	66,958.67	60,339.89	55,087.18

Surplus

As per last financial statements	1,132.02	732.87	632.70	229.33	3.35
Add: Profit for the year from Statement of Profit and Loss	9,986.34	11,403.61	12,590.78	9,812.79	9,353.40
Transfer from bonds/debentures redemption reserve	296.50	346.50	346.50	325.00	250.00
Transfer from self insurance reserve	-	27.49	-	-	-
Less: Transfer to bonds/debentures redemption reserve	1,156.19	576.08	492.79	482.38	494.94
Transfer to capital reserve	0.12	4.98	0.97	0.44	6.87
Transfer to CSR reserve	78.92	-	-	-	-
Transfer to self insurance reserve	-	-	-	50.11	-
Transfer to fly ash utilisation reserve fund	-	17.01	12.06	-	-
Transfer to debt service reserve	3.41	162.17	81.84	-	-
Transfer to general reserve	7,020.16	5,012.08	6,643.18	5,298.09	5,216.14
Adjustment for minority share of profit	-	-	-	-	5.17
Dividend paid	618.42	3,300.69	3,094.07	2,887.92	2,473.63
Tax on dividend paid	136.17	560.96	501.94	465.41	410.84
Proposed dividend	1,442.96	1,491.07	1,718.27	473.29	662.18
Tax on proposed dividend	296.83	253.41	291.99	76.78	107.65
Net surplus	<u>661.68</u>	<u>1,132.02</u>	<u>732.87</u>	<u>632.70</u>	<u>229.33</u>
Total	<u><u>73,848.52</u></u>	<u><u>79,084.26</u></u>	<u><u>73,230.42</u></u>	<u><u>66,157.33</u></u>	<u><u>60,198.06</u></u>

3. Deferred revenue

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
On account of advance against depreciation	409.20	692.55	708.60	718.47	792.05
On account of income from foreign currency fluctuation	984.95	917.33	535.45	711.59	62.43
Total	1,394.15	1,609.88	1,244.05	1,430.06	854.48

4. Long-term borrowings

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Bonds					
Secured					
8.61% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2034 (Fifty First Issue C - Private Placement)	320.00	320.00	-	-	-
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹1,000/- each redeemable at par in full on 16 th December 2033 (Fiftieth Issue - Public Issue - Series 3A)	312.03	312.03	-	-	-
8.91% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2033 (Fiftieth Issue - Public Issue - Series 3B)	399.97	399.97	-	-	-
8.63% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2029 (Fifty First Issue B - Private Placement)	105.00	105.00	-	-	-
8.48% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2028 (Fiftieth Issue - Public Issue - Series 2A)	249.95	249.95	-	-	-
8.73% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2028 (Fiftieth Issue - Public Issue - Series 2B)	91.39	91.39	-	-	-
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 22 nd September 2024 (Fifty Third Issue - Private Placement).	1,000.00	-	-	-	-
9.34% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 24 th March 2024 (Fifty Second Issue - Private Placement)	750.00	750.00	-	-	-
8.19% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2024 (Fifty First Issue A - Private Placement).	75.00	75.00	-	-	-
8.41% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2023 (Fiftieth Issue - Public Issue - Series 1A)	488.02	488.02	-	-	-
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2023 (Fiftieth Issue - Public Issue - Series 1B)	208.64	208.64	-	-	-
9.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 04 th May 2023 and ending on 04 th May 2027 (Forty fourth issue - private placement)	500.00	500.00	500.00	-	-
8.48% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 1 st May 2023 (Seventeenth issue - private placement)	50.00	50.00	50.00	50.00	50.00
8.80% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th April 2023 (Forty Ninth Issue - Private Placement)	200.00	200.00	-	-	-
8.49% Secured non-cumulative non-convertible redeemable taxable fully paid-up bonus debentures of ₹ 12.50 each redeemable at par in three annual installments of ₹ 2.50, ₹ 5.00 and ₹ 5.00 at the end of 8 th year, 9 th year and 10 th year on 25 th March 2023, 25 th March 2024 and 25 th March 2025 respectively (Fifty Fourth Issue -Bonus Debentures)	10,306.83	-	-	-	-
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 7 th March 2023 (Forty Eighth Issue - Private Placement)	300.00	300.00	300.00	-	-
9.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 25 th January 2023 and ending on 25 th January 2027 (Forty second issue - private placement)	500.00	500.00	500.00	500.00	-
8.84% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th October 2022 (Forty seventh issue - private placement)	390.00	390.00	390.00	-	-
8.93% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 19 th January 2021 (Thirty seventh issue - private placement)	300.00	300.00	300.00	300.00	300.00

4. Long-term borrowings

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
8.73 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 31 st March 2020 (Thirty third issue-private placement)	195.00	195.00	195.00	195.00	195.00
8.78 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 9 th March 2020 (Thirty first issue-private placement)	500.00	500.00	500.00	500.00	500.00
11.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in five equal annual installments commencing from 6 th Nov 2019 and ending on 6 th Nov 2023 (Twenty seventh issue - private placement)	350.00	350.00	350.00	350.00	350.00
7.89% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 5 th May 2019 (Thirtieth issue - private placement)	700.00	700.00	700.00	700.00	700.00
8.65% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th February 2019 (Twenty ninth issue - private placement)	550.00	550.00	550.00	550.00	550.00
7.50% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 12 th January 2019 (Nineteenth issue - private placement)	50.00	50.00	50.00	50.00	50.00
11% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 21 st November 2018 (Twenty eighth issue - private placement)	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
9.3473% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 20 th July 2018 and ending on 20 th July 2032 (Forty sixth issue - private placement)	75.00	75.00	75.00	-	-
9.4376% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 16 th May 2018 and ending on 16 th May 2032 (Forty fifth issue - private placement)	75.00	75.00	75.00	-	-
8.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 10 th April 2018 (Sixteenth issue - private placement)	100.00	100.00	100.00	100.00	100.00
9.2573% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 2 nd March 2018 and ending on 2 nd March 2032 (Forty third issue - private placement)	75.00	75.00	75.00	75.00	-
9.6713 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 23 rd Decemeber 2017 and ending on 23 rd December 2031 (Forty first issue - private placement)	75.00	75.00	75.00	75.00	-
9.558 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 29 th July 2017 and ending on 29 th July 2031 (Fortieth issue - private placement)	75.00	75.00	75.00	75.00	-
9.3896% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 9 th June 2017 and ending on 9 th June 2031 (Thirty ninth issue - private placement)	105.00	105.00	105.00	105.00	-
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 22 nd March 2017 and ending on 22 nd March 2031 (Thirty eighth issue - private placement)	75.00	75.00	75.00	75.00	75.00
8.8086% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th December 2016 and ending on 15 th December 2030 (Thirty sixth issue - private placement)	75.00	75.00	75.00	75.00	75.00

4. Long-term borrowings

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
8.785% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th September 2016 and ending on 15 th September 2030 (Thirty fifth issue - private placement)	120.00	120.00	120.00	120.00	120.00
8.71% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 10 th June 2016 and ending on 10 th June 2030 (Thirty fourth issue - private placement)	150.00	150.00	150.00	150.00	150.00
8.8493% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 25 th March 2016 and ending on 25 th March 2030 (Thirty second issue - private placement)	98.00	105.00	105.00	105.00	105.00
9.37% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty fifth issue - private placement)	214.00	285.50	357.00	428.50	500.00
9.06% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty sixth issue - private placement)	214.00	285.50	357.00	428.50	500.00
8.6077% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 9 th September 2011 and ending on 9 th March 2021 (Twenty fourth issue - private placement)	250.00	300.00	350.00	400.00	450.00
8.3796% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 5 th August 2011 and ending on 5 th February 2021 (Twenty third issue - private placement)	250.00	300.00	350.00	400.00	450.00
8.1771% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd July 2011 and ending on 2 nd January 2021 (Twenty second issue - private placement)	250.00	300.00	350.00	400.00	450.00
7.7125% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd August 2010 and ending on 2 nd February 2020 (Twenty first issue - private placement)	400.00	500.00	600.00	700.00	800.00
7.552% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 23 rd September 2009 and ending on 23 rd March 2019 (Twentieth Issue - private placement)	150.00	200.00	250.00	300.00	350.00
5.95% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 10 th year respectively from 15 th September 2003 (Eighteenth issue - private placement)	-	-	-	100.00	200.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each with ten equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of the 6 th year and in annual installments thereafter upto the end of 15 th year respectively from 30 th April 2002 (Thirteenth issue - Part B - private placement)	150.00	225.00	300.00	375.00	450.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each redeemable at par in ten equal annual installments commencing from the end of 6 th year and upto the end of 15 th year respectively from 18 th April 2002 (Thirteenth issue -Part A - private placement)	150.00	225.00	300.00	375.00	450.00
	23,017.83	12,311.00	9,704.00	9,057.00	8,920.00
Foreign currency notes					
Unsecured					

4. Long-term borrowings

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
4.375 % Fixed rate notes due for repayment on 26 th November 2024	3,159.50	-	-	-	-
4.75 % Fixed rate notes due for repayment on 3 rd October 2022	3,159.50	3,030.50	2,745.50	-	-
5.625 % Fixed rate notes due for repayment on 14 th July 2021	3,159.50	3,030.50	2,745.50	2,581.50	-
5.875 % Fixed rate notes due for repayment on 2 nd March 2016	-	1,818.30	1,647.30	1,548.90	1,356.90
Term loans					
From Banks					
Secured					
Rupee loans	8,024.13	3,399.34	2,986.65	2,517.84	2,091.81
Foreign currency loans	237.92	-	-	-	-
Unsecured					
Foreign currency loans	8,362.55	6,290.80	4,766.70	3,927.15	3,179.19
Rupee loans	20,835.85	18,905.07	13,919.18	9,503.36	9,484.75
From Others					
Secured					
Foreign currency loan (guaranteed by GOI)	-	-	-	99.09	256.56
Rupee loans	6,545.28	9,708.46	8,313.13	6,385.94	5,186.62
Unsecured					
Foreign currency loans (guaranteed by GOI)	2,035.26	2,456.03	2,604.09	2,999.49	2,763.23
Other foreign currency loans	2,815.56	2,026.88	1,864.55	1,872.51	2,208.62
Rupee loans	11,941.90	12,503.04	13,090.55	14,358.43	11,598.76
Deposits					
Unsecured					
Fixed deposits	-	0.09	0.52	0.47	12.39
Others					
Unsecured					
Bonds application money pending allotment	-	-	200.00	-	-
Long term maturities of finance lease obligations					
Secured					
	-	-	0.05	0.26	0.74
Unsecured					
	68.14	62.29	-	-	-
Total	<u>93,362.92</u>	<u>75,542.30</u>	<u>64,587.72</u>	<u>54,851.94</u>	<u>47,059.57</u>

5. Deferred tax liabilities (net)

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Deferred tax liability					
Difference of book depreciation and tax depreciation	8,097.63	6,912.65	6,519.89	6,201.99	6,265.08
Less: Deferred tax assets					
Provisions & other disallowances for tax purposes	712.99	777.56	789.64	1,153.08	1,301.94
Disallowances u/s 43B of the Income Tax Act, 1961	464.00	393.13	334.13	329.82	323.00
	<u>6,920.64</u>	<u>5,741.96</u>	<u>5,396.12</u>	<u>4,719.09</u>	<u>4,640.14</u>
Less:-Deferred asset for deferred tax liability	<u>5,655.03</u>	<u>4,502.65</u>	<u>4,315.40</u>	<u>3,954.60</u>	<u>3,968.49</u>
Total	<u>1,265.61</u>	<u>1,239.31</u>	<u>1,080.72</u>	<u>764.49</u>	<u>671.65</u>

6. Other long-term liabilities

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Trade payables	9.22	6.00	6.83	5.41	10.39
Deferred foreign currency fluctuation liability	259.90	151.99	135.60	134.43	96.67
Other liabilities					
Payable for capital expenditure	3,179.44	2,853.96	2,070.39	1,644.76	2,352.67
Others	33.29	69.63	4.84	6.97	9.30
Total	<u>3,481.85</u>	<u>3,081.58</u>	<u>2,217.66</u>	<u>1,791.57</u>	<u>2,469.03</u>

7. Long-term provisions

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Provision for					
Employee benefits	1,131.24	886.71	752.48	613.85	568.52
Contractual obligations	12.13	10.09	8.72	9.64	-
Total	<u>1,143.37</u>	<u>896.80</u>	<u>761.20</u>	<u>623.49</u>	<u>568.52</u>

8. Short-term borrowings

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Loans repayable on demand					
From Banks					
Secured					
Cash Credit	640.15	433.64	382.16	150.16	39.40
Total	<u>640.15</u>	<u>433.64</u>	<u>382.16</u>	<u>150.16</u>	<u>39.40</u>

9. Trade payables

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
For goods and services	7,107.63	7,223.96	5,862.29	5,037.97	4,374.31

10. Other current liabilities

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Current maturities of long term borrowings					
Bonds-Secured	600.00	593.00	693.00	693.00	650.00
5.875% Foreign currency fixed rate notes - Unsecured	1,895.70	-	-	-	-
From Banks					
Secured					
Rupee term loans	308.83	310.00	192.87	168.70	61.30
Unsecured					
Foreign currency loans	281.82	257.84	233.59	219.64	67.44
Rupee term loans	2,545.98	1,764.06	1,759.13	1,695.35	1,451.64
From Others					
Secured					
Rupee term loans	261.33	395.34	357.82	256.63	136.47
Foreign currency loan (guaranteed by GOI)	-	-	96.44	186.38	157.91
Unsecured					
Foreign currency loans (guaranteed by GOI)	154.61	173.40	171.73	183.64	121.16
Other foreign currency loans	406.02	393.67	576.19	646.04	579.95
Rupee term loans	1794.64	1591.23	1367.73	740.33	428.53
Fixed deposits	-	0.43	0.11	11.79	0.87
	8,248.93	5,478.97	5,448.61	4,801.50	3,655.27
Current maturities of finance lease obligations-secured	-	0.07	0.29	0.49	0.59
Interest accrued but not due on borrowings	835.80	811.80	670.55	533.02	435.90
Interest accrued but due on borrowings	167.59	47.87	-	-	-
Unpaid dividends	14.97	14.21	15.67	11.50	10.27
Unpaid matured deposits and interest accrued thereon	0.21	0.22	0.20	0.26	0.18
Unpaid matured bonds and interest accrued thereon	0.72	0.58	0.59	0.59	0.60
Unpaid bond refund money - Tax free bonds	0.16	0.52	-	-	-
Book overdraft	546.01	3.07	20.88	3.64	9.34
Advances from customers and others	600.51	508.10	424.50	419.27	570.69
Payable for capital expenditure	7,581.86	5,279.85	4,218.05	4,400.06	2,951.54
Derivative MTM Liability	4.59	-	-	-	-
Other payables					
Tax deducted at source and other statutory dues	320.98	255.49	195.45	169.34	146.08
Deposits from contractors and others	764.01	952.28	1,264.91	1,205.71	962.40
Gratuity obligations	0.32	30.10	93.12	60.16	102.32
Payable to employees	331.54	288.68	468.81	332.02	229.58
Others	783.94	755.37	343.44	258.23	287.34
Total	20,202.14	14,427.18	13,165.07	12,195.79	9,362.10

11. Short-term provisions

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Provision for					
Employee benefits	1,186.50	1,088.52	1,429.83	1,163.67	1,183.28
Proposed dividend	1,442.96	1,491.06	1,718.27	473.29	662.18
Tax on proposed dividend	300.83	253.41	291.99	76.78	107.65
Obligations incidental to land acquisition	3,244.70	3,001.72	2,228.72	376.97	309.69
Tariff adjustment	1,263.75	1,293.69	1,333.29	1,228.39	-
Others	557.67	451.93	286.92	91.99	21.71
Total	<u>7,996.41</u>	<u>7,580.33</u>	<u>7,289.02</u>	<u>3,411.09</u>	<u>2,284.51</u>

12. Tangible assets

₹ Crore

As at	Net Block				
	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Land :					
(including development expenses)					
Freehold	7,719.44	6,959.12	5,203.64	2,986.22	2,413.34
Leasehold	2,722.68	1,994.93	1,355.27	582.96	447.64
Roads,bridges, culverts & helipads	656.89	507.66	431.38	354.77	373.72
Building :					
Freehold					
Main plant	4,127.92	3,868.45	3,690.63	2,445.51	2,025.38
Others	2,242.73	1,828.60	1,646.45	1,486.33	1,395.26
Leasehold	20.10	21.95	23.87	26.22	29.27
Temporary erection	2.69	3.92	2.82	1.80	0.91
Water supply, drainage & sewerage system	410.00	384.64	366.67	344.67	345.76
MGR track and signalling system	845.83	723.37	719.68	674.82	550.00
Railway siding	570.48	444.42	317.98	276.06	201.44
Earth dam reservoir	195.46	210.44	225.35	202.84	118.34
Plant and equipment					
Owned	70,836.33	65,863.61	56,681.33	40,740.98	35,981.29
Leased	55.77	58.94	-	-	-
Furniture and fixtures	228.67	209.81	189.17	167.78	154.66
Vehicles including speedboats					
Owned	7.63	6.32	5.53	6.17	5.63
Leased	-	0.05	0.31	0.64	1.23
Office equipment	105.24	94.94	84.88	70.98	61.06
EDP, WP machines and satcom equipment	118.76	122.00	127.15	115.18	121.90
Construction equipments	107.22	91.09	84.59	78.52	77.64
Electrical installations	319.88	281.85	249.56	183.68	180.56
Communication equipments	48.34	48.30	44.87	45.55	45.02
Hospital equipments	21.29	19.23	16.24	13.90	12.48
Laboratory and workshop equipments	55.98	44.90	37.72	28.39	20.73
Assets under 5 KM scheme of the GOI	70.76	79.13	0.52	-	-
Capital expenditure on assets not owned by the Company	89.39	90.10	72.73	79.50	88.89
Assets of Government	2.81	2.81	2.81	2.84	2.84
Less: Grants from Government	2.81	2.81	2.81	2.84	2.84
Assets for ash utilisation	17.30	4.58	-	-	-
Less: Adjusted from fly ash utilisation reserve fund	17.30	4.58	-	-	-
Total	91,579.48	83,957.77	71,578.34	50,913.47	44,652.15

Intangible assets

₹ Crore

As at	Net Block				
	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Software	17.60	4.33	4.94	5.59	9.52
Right of Use- Land	46.87	42.31	44.17	5.28	6.47
- Others	206.66	202.95	204.64	206.53	192.86
License fee for technical collaboration	1.79	-	-	-	-
Total	272.92	249.59	253.75	217.40	208.85

13. Capital work-in-progress

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Development of land	964.00	814.81	579.25	561.13	475.92
Roads, bridges, culverts & helipads	126.88	159.25	89.10	103.29	45.71
Piling and foundation	641.51	826.33	901.27	950.99	812.63
Buildings :					
Main plant	3,794.59	2,993.77	2,078.87	2,905.21	2,563.49
Others	1,295.89	937.95	735.41	594.68	444.05
Temporary erection	55.99	33.11	6.85	15.98	11.88
Water supply, drainage and sewerage system	75.68	65.40	64.43	75.42	59.85
Hydraulic works, barrages, dams, tunnels and power channel	5,268.97	4,755.86	4,096.10	3,452.97	2,534.13
MGR track and signalling system	329.29	348.45	317.05	219.57	241.57
Railway siding	403.79	301.33	367.15	219.42	154.33
Earth dam reservoir	78.39	50.23	50.53	73.56	145.92
Plant and equipment	45,705.40	34,407.75	31,632.21	36,546.18	30,066.68
Furniture and fixtures	23.17	19.61	11.99	5.82	6.60
Vehicles	-	0.20	0.64	0.18	0.18
Office equipment	1.66	3.70	3.32	4.95	2.36
EDP/WP machines & satcom equipment	3.13	2.13	4.31	0.22	2.22
Construction equipments	2.03	0.53	0.11	0.45	0.33
Electrical installations	474.65	241.19	152.51	208.86	120.76
Communication equipment	2.30	2.08	3.08	1.93	0.35
Hospital equipments	0.13	0.34	0.15	0.38	0.19
Laboratory and workshop equipments	0.06	0.37	0.16	1.46	2.24
Assets under 5 KM scheme of the GOI	-	12.49	58.23	2.24	-
Capital expenditure on assets not owned by the company	78.60	58.03	33.26	19.81	16.52
Development of coal mines	1,086.49	636.53	376.16	279.74	195.05
	<u>60,412.60</u>	<u>46,671.44</u>	<u>41,562.14</u>	<u>46,244.44</u>	<u>37,902.96</u>
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	415.27	396.19	335.55	317.79	281.46
Difference in exchange on foreign currency loans	1,531.35	1,500.25	851.36	628.68	(280.32)
Expenditure towards diversion of forest land	-	-	234.00	172.16	161.71
Pre-commissioning expenses (net)	54.75	138.16	100.39	257.13	54.24
Expenditure during construction period (net)	5,418.26	5,294.25	4,466.22	4,527.52	3,330.88
Less: Allocated to related works	4,678.54	4,664.77	3,833.98	4,157.52	2,873.59
	<u>63,153.69</u>	<u>49,335.52</u>	<u>43,715.68</u>	<u>47,990.20</u>	<u>38,577.34</u>
Less: Provision for unserviceable works	106.00	69.23	63.80	14.81	11.27
Construction stores (net of provision)	<u>4,476.62</u>	<u>4,552.86</u>	<u>2,901.48</u>	<u>2,421.58</u>	<u>2,525.91</u>
Total	<u><u>67,524.31</u></u>	<u><u>53,819.15</u></u>	<u><u>46,553.36</u></u>	<u><u>50,396.97</u></u>	<u><u>41,091.98</u></u>
Intangible Assets under Development					
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Software	0.10	2.54	1.28	1.27	0.03
Licence fee for technical colabration	-	1.34	-	-	-
Exploratory wells-in-progress	37.92	9.57	7.64	7.66	7.65
	<u>38.02</u>	<u>13.45</u>	<u>8.92</u>	<u>8.93</u>	<u>7.68</u>
Less: Provision for unserviceable works	7.64	7.64	7.64	7.64	7.64
Total	<u><u>30.38</u></u>	<u><u>5.81</u></u>	<u><u>1.28</u></u>	<u><u>1.29</u></u>	<u><u>0.04</u></u>

14. Non-current investments

₹ Crore

As at		31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
	Face value per share/bond/ security					
	Current year/ (previous year) (₹)					
Long term - Trade						
Equity instruments (fully paid up - unless otherwise stated)						
Quoted						
PTC India Ltd.	10 (10)	12.00	12.00	12.00	12.00	12.00
		12.00	12.00	12.00	12.00	12.00
Cooperative societies						
		#	#	#	#	#
Bonds (fully paid up)						
Unquoted						
8.50 % Tax-Free State Government Special Bonds of the Government of						
Andhra Pradesh	1000 (1000)	-	126.07	252.13	378.20	504.26
Assam	1000 (1000)	-	5.15	10.29	15.44	20.58
Bihar	1000 (1000)	-	189.44	378.88	568.32	757.76
Chattisgarh	1000 (1000)	-	48.32	96.64	144.97	193.29
Gujarat	1000 (1000)	-	83.72	167.45	251.17	334.90
Haryana	1000 (1000)	-	107.50	215.00	322.50	430.00
Himachal Pradesh	1000 (1000)	-	3.34	6.68	10.02	13.35
Jammu and Kashmir	1000 (1000)	-	36.74	73.47	110.21	146.94
Jharkhand	1000 (1000)	-	96.01	192.03	288.04	384.05
Kerala	1000 (1000)	-	100.24	200.48	300.72	400.96
Madhya Pradesh	1000 (1000)	-	83.08	166.17	249.25	332.34
Maharashtra	1000 (1000)	-	38.14	76.28	114.42	152.56
Orissa	1000 (1000)	-	110.29	220.57	330.86	441.15
Punjab	1000 (1000)	-	34.62	69.25	103.87	138.49
Rajasthan	1000 (1000)	-	29.00	43.50	43.50	43.50
Sikkim	1000 (1000)	-	3.42	6.84	10.26	13.68
Uttar Pradesh	1000 (1000)	-	398.99	797.98	1,196.97	1,595.96
Uttaranchal	1000 (1000)	-	39.97	79.93	119.89	159.86

As at		31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
	Face value per share/bond/ security					
	Current year/ (previous year) (₹)					
West Bengal	1000 (1000)	-	117.42	234.85	352.27	469.70
		-	1,651.46	3,288.42	4,910.88	6,533.33
Non- trade Investment (at cost) in shares		2.12	-	-	-	-
Total		14.12	1,663.46	3,300.42	4,922.88	6,545.33

Equity shares of ₹ 30,200/- (previous year ₹ 30,200/-) held in various Company's employees co-operative societies.

15. Long-term loans and advances (Considered good, unless otherwise stated)

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Capital Advances					
Secured	19.65	21.49	62.90	19.64	18.13
Unsecured					
Covered by Bank Guarantee	4,702.24	5,266.24	4,725.28	1,595.31	2,266.85
Others	3,779.29	4,380.64	3,281.30	1,877.95	1,478.00
Considered doubtful	2.06	2.59	2.54	2.19	2.21
Less: Allowance for bad & doubtful advances	2.06	2.59	2.54	2.19	2.21
	<u>8,501.18</u>	<u>9,668.37</u>	<u>8,069.48</u>	<u>3,492.90</u>	<u>3,762.98</u>
Security deposits (unsecured)	162.73	147.05	93.86	91.61	129.28
Loans					
Related parties					
Unsecured	-	0.01	0.03	0.05	0.07
Employees (including accrued interest)					
Secured	409.24	405.97	400.27	380.55	305.37
Unsecured	139.60	144.58	144.14	138.24	172.28
Loan to state government in settlement of dues from customers-Unsecured	47.86	143.59	239.31	335.04	478.63
Others					
Secured	35.00	40.00	14.29	21.42	28.57
Unsecured	0.60	0.59	-	-	-
Doubtful	-	0.22	-	-	-
Less: Allowances for bad & doubtful loans	-	0.22	-	-	-
	<u>632.30</u>	<u>734.74</u>	<u>798.04</u>	<u>875.30</u>	<u>984.92</u>
Advances					
Contractors & Suppliers					
Unsecured	2,286.56	623.78	92.18	84.85	44.34
Others					
Secured	-	-	0.18	0.16	1.19
Unsecured	4.04	3.66	-	-	-
	<u>2,290.60</u>	<u>627.44</u>	<u>92.36</u>	<u>85.01</u>	<u>45.53</u>
Advance tax deposit & tax deducted at source	12,232.11	9,932.14	11,932.58	10,370.99	10,141.41
Less: Provision for current tax	7,281.71	7,039.14	10,036.37	8,770.20	7,402.79
	<u>4,950.40</u>	<u>2,893.00</u>	<u>1,896.21</u>	<u>1,600.79</u>	<u>2,738.62</u>
MAT credit recoverable	94.07	86.20	106.72	70.44	39.14
Cenvat Credit / Service tax recoverable	0.34	0.55	1.94	-	-
Total	<u><u>16,631.62</u></u>	<u><u>14,157.35</u></u>	<u><u>11,058.61</u></u>	<u><u>6,216.05</u></u>	<u><u>7,700.47</u></u>

16. Other non-current assets

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Long term trade receivables					
Unsecured, considered good	32.96	11.67	9.33	1.42	4.25
Deferred foreign currency fluctuation asset	1,231.84	1,368.32	1,136.16	1,373.74	459.15
Claim recoverable	466.28	426.00	358.42	-	-
Total	<u>1,731.08</u>	<u>1,805.99</u>	<u>1,503.91</u>	<u>1,375.16</u>	<u>463.40</u>

17. Current investments

₹ Crore

As at		31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
	Face value per bond/ security					
	Current year/ (previous year) (₹)					
Trade						
Current maturities of long term investments						
Bonds (fully-paid up)						
Unquoted						
8.50 % Tax-Free State Government Special						
Bonds of the Government of						
Andhra Pradesh	1000 (1000)	126.07	126.07	126.07	126.07	126.07
Assam	1000 (1000)	5.15	5.15	5.15	5.15	5.15
Bihar	1000 (1000)	189.44	189.44	189.44	189.44	189.44
Chattisgarh	1000 (1000)	48.32	48.32	48.32	48.32	48.32
Gujarat	1000 (1000)	83.73	83.73	83.73	83.73	83.73
Haryana	1000 (1000)	107.50	107.50	107.50	107.50	107.50
Himachal Pradesh	1000 (1000)	3.34	3.34	3.34	3.34	3.34
Jammu and Kashmir	1000 (1000)	36.74	36.74	36.74	36.74	36.74
Jharkhand	1000 (1000)	96.01	96.01	96.01	96.01	96.01
Kerala	1000 (1000)	100.24	100.24	100.24	100.24	100.24
Madhya Pradesh	1000 (1000)	83.08	83.08	83.08	83.08	83.08
Maharashtra	1000 (1000)	38.14	38.14	38.14	38.14	38.14
Orissa	1000 (1000)	110.29	110.29	110.29	110.29	110.29
Punjab	1000 (1000)	34.62	34.62	34.62	34.62	34.62
Rajasthan	1000 (1000)	29.00	14.50	-	-	14.50
Sikkim	1000 (1000)	3.42	3.42	3.42	3.42	3.42
Uttar Pradesh	1000 (1000)	398.99	398.99	398.99	398.99	398.99
Uttaranchal	1000 (1000)	39.96	39.96	39.96	39.96	39.96
West Bengal	1000 (1000)	117.42	117.42	117.42	117.42	117.42
		1,651.46	1,636.96	1,622.46	1,622.46	1,636.96

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
	Face value per bond/ security				
	Current year/ (previous year) (₹)				
Investment in mutual funds (unquoted)					
Canara Robeco Liquid Fund - Super IP - DDR	-	-	-	-	175.04
UTI Liquid Cash Plan-IP-Direct-DDR	151.36	-	-	-	-
IDBI Liquid Fund-Direct-DDR	75.24	-	-	-	-
Reliance liquid fund - Treasury plan- Direct daily dividend option	7.57	-	-	-	-
Reliance liquid fund - Treasury plan- Direct daily dividend option	0.75	-	-	-	-
Birla sunlife cash plus - Daily dividend - Direct plan - Reinvestment	1.01	-	-	-	-
	235.93	-	-	-	175.04
Total	1,887.39	1,636.96	1,622.46	1,622.46	1,812.00

18. Inventories

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Coal	4,011.52	2,185.29	1,039.74	1,258.91	1,306.58
Fuel oil	361.21	371.89	400.27	261.23	211.33
Naphtha	139.81	166.82	146.77	177.04	155.30
Stores and spares	2,902.13	2,783.86	2,440.60	2,080.13	1,871.96
Chemicals & consumables	70.30	68.08	76.96	48.00	49.89
Loose tools	7.81	7.20	6.76	6.25	5.60
Steel Scrap	25.48	28.16	25.89	25.66	18.19
Others	541.44	450.25	503.86	382.14	345.26
	<u>8,059.70</u>	<u>6,061.55</u>	<u>4,640.85</u>	<u>4,239.36</u>	<u>3,964.11</u>
Less: Provision for shortages	5.52	2.26	2.56	2.24	2.36
Provision for obsolete/ unserviceable items/ diminution in value of surplus inventory	81.72	70.81	62.51	59.21	50.92
Total	<u><u>7,972.46</u></u>	<u><u>5,988.48</u></u>	<u><u>4,575.78</u></u>	<u><u>4,177.91</u></u>	<u><u>3,910.83</u></u>

19. Trade Receivables

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Outstanding for a period exceeding six months from the date they are due for payment					
Unsecured, considered good	463.32	455.33	204.12	107.18	64.98
Considered doubtful	95.03	0.03	0.03	840.70	841.69
	<u>558.35</u>	<u>455.36</u>	<u>204.15</u>	<u>947.88</u>	<u>906.67</u>
Others					
Unsecured, considered good	8,786.60	6,270.33	5,892.03	6,573.84	1,681.29
Considered doubtful	0.77	-	-	-	-
	<u>8,787.37</u>	<u>6,270.33</u>	<u>5,892.03</u>	<u>6,573.84</u>	<u>1,681.29</u>
Less: Allowance for bad & doubtful receivables	95.80	0.03	0.03	840.70	841.69
Total	<u><u>9,249.92</u></u>	<u><u>6,725.66</u></u>	<u><u>6,096.15</u></u>	<u><u>6,681.02</u></u>	<u><u>1,746.27</u></u>

20. Cash and bank balances

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Cash & cash equivalents					
Balances with banks					
Current accounts	289.22	164.63	389.91	514.80	351.80
Cash credit accounts	7.01	0.66	-	-	-
Deposits with original maturity upto three months	272.38	667.97	59.53	544.75	293.97
Cheques & drafts on hand	59.68	66.52	74.98	1.83	0.31
Balance with Reserve Bank of India	30.80	30.79	29.03	29.03	30.67
Others (cash/stamps in hand)	0.13	0.08	0.09	0.12	0.18
Other bank balances					
Deposits with original maturity of more than three months	13,249.95	16,104.91	18,110.68	16,919.18	17,160.83
Earmarked balances with banks	342.44	15.11	73.90	77.68	18.41
Total	<u>14,251.61</u>	<u>17,050.67</u>	<u>18,738.12</u>	<u>18,087.39</u>	<u>17,856.17</u>

21. Short-term loans and advances (Considered good, unless otherwise stated)

₹ Crore

As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Loans					
Related parties					
Unsecured	0.01	0.09	0.04	0.03	0.04
Employees(including accrued interest)					
Secured	77.29	77.93	76.92	70.67	52.20
Unsecured	95.60	95.49	91.68	83.73	83.12
Considered doubtful	0.02	-	-	0.22	0.25
Loan to state government in settlement of dues from customers-Unsecured	95.73	95.73	95.73	95.73	95.73
Others					
Secured	5.00	10.00	35.71	28.58	21.43
Unsecured	0.01	0.06	-	0.27	0.02
Less: Allowance for bad & doubtful loans	0.02	-	-	0.22	0.25
	<u>273.64</u>	<u>279.30</u>	<u>300.08</u>	<u>279.01</u>	<u>252.54</u>
Advances					
Related parties					
Unsecured	3.78	1.83	4.08	1.64	2.27
Employees					
Unsecured	12.17	10.86	9.21	10.07	11.70
Considered doubtful	0.03	0.03	0.11	0.08	0.08
Contractors & suppliers					
Secured	-	-	6.71	5.60	2.24
Unsecured	1,216.21	1,908.91	605.88	960.18	761.57
Considered doubtful	1.61	2.33	1.53	1.64	0.44
Others					
Unsecured	191.29	132.70	131.95	97.53	120.89
Considered doubtful	1.01	1.03	1.03	1.01	-
Less: Allowance for bad & doubtful advances	2.65	3.39	2.67	2.73	0.52
	<u>1,423.45</u>	<u>2,054.30</u>	<u>757.83</u>	<u>1,075.02</u>	<u>898.67</u>
Security deposits (Unsecured)	759.61	896.55	660.43	322.63	68.15
Total	<u><u>2,456.70</u></u>	<u><u>3,230.15</u></u>	<u><u>1,718.34</u></u>	<u><u>1,676.66</u></u>	<u><u>1,219.36</u></u>

22. Other current assets

	₹ Crore				
As at	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Interest accrued					
Bonds	105.28	174.24	243.19	312.14	382.33
Term deposits	424.31	621.02	875.02	804.91	630.10
Others	38.71	48.46	23.98	18.68	43.69
	<u>568.30</u>	<u>843.72</u>	<u>1,142.19</u>	<u>1,135.73</u>	<u>1,056.12</u>
Claims recoverable					
Unsecured, considered good	2,130.34	1,743.50	4,423.59	1,848.46	1,650.02
Considered doubtful	13.40	13.77	13.05	13.31	12.95
Less: Allowance for doubtful claims	13.40	13.77	13.05	13.31	12.95
	<u>2,130.34</u>	<u>1,743.50</u>	<u>4,423.59</u>	<u>1,848.46</u>	<u>1,650.02</u>
Unbilled revenue	3,243.52	7,148.37	6,127.57	5,966.52	6,688.55
Assets held for disposal	2.19	2.68	3.01	2.08	2.21
Hedging cost recoverable	4.59	-	-	-	-
Others	24.60	15.20	13.08	12.87	7.77
Total	<u><u>5,973.54</u></u>	<u><u>9,753.47</u></u>	<u><u>11,709.44</u></u>	<u><u>8,965.66</u></u>	<u><u>9,404.67</u></u>

23. Revenue from operations (gross)

	₹ Crore				
For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Energy sales (including electricity duty)	79,818.95	78,618.65	70,654.25	64,907.05	57,199.76
Consultancy, project management and supervision fee	467.10	410.86	401.67	464.74	438.04
Sale of goods (including excise duty)	354.16	118.95	126.69	126.09	97.14
Regassification charges - LNG	48.74	27.73	-	-	-
	<u>80,688.95</u>	<u>79,176.19</u>	<u>71,182.61</u>	<u>65,497.88</u>	<u>57,734.94</u>
Sale of fly ash / ash products	115.11	119.66	106.52	83.26	57.80
Less: Transferred to fly ash utilisation reserve fund	<u>115.11</u>	<u>119.66</u>	<u>106.52</u>	<u>83.26</u>	<u>57.80</u>
	-	-	-	-	-
Energy internally consumed	90.92	87.08	93.17	85.61	64.71
Other operating revenues					
Interest from beneficiaries	332.82	131.48	432.60	515.31	116.16
Recognized from deferred foreign currency fluctuation liability	3.12	1.56	3.52	0.16	-
Rebate on energy purchase	38.38	34.18	36.22	36.01	30.31
Others	25.69	16.77	49.22	16.53	-
Provisions written back					
Tariff adjustment	180.16	162.56	63.11	441.28	-
Doubtful debts	-	-	840.67	0.14	-
Others	<u>6.98</u>	<u>38.30</u>	<u>4.75</u>	<u>4.43</u>	<u>7.84</u>
	<u>187.14</u>	<u>200.86</u>	<u>908.53</u>	<u>445.85</u>	<u>7.84</u>
Total	<u><u>81,367.02</u></u>	<u><u>79,648.12</u></u>	<u><u>72,705.87</u></u>	<u><u>66,597.35</u></u>	<u><u>57,953.96</u></u>

24. Other income

₹ Crore

For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Interest from					
Long-term investments - Government securities (8.5% tax free bonds)	245.04	382.95	520.86	659.38	799.76
Others					
Loan to state government in settlement of dues from customers (8.5% tax free)	18.31	26.44	34.58	42.72	50.85
Loan to employees	31.78	31.20	29.21	25.55	20.60
Contractors	61.95	55.70	43.84	39.28	23.06
Deposits with banks / Reserve Bank of India	1,317.36	1,689.38	1,920.20	1,679.41	1,243.18
Deposits with banks out of fly ash utilisation reserve fund	21.76	-	-	-	-
Less: Transferred to fly ash utilisation reserve fund	21.76	-	-	-	-
	-	-	-	-	-
Income tax refunds	48.59	155.20	39.48	100.42	1.87
Less : Refundable to beneficiaries	36.40	80.53	0.02	34.47	-
	12.19	74.67	39.46	65.95	1.87
Others	21.93	9.12	9.36	12.23	17.32
Dividend from					
Long-term investments in					
Joint ventures	-	71.98	101.86	58.36	19.69
Equity instruments	2.40	1.92	1.80	1.80	1.44
Current investments in					
Mutual funds	157.82	65.16	114.13	91.55	53.17
Current investments in mutual funds out of fly ash utilisation	1.60	-	-	-	-
Less: Transferred to fly ash utilisation reserve fund	1.60	-	-	-	-
	-	-	-	-	-
Other non-operating income					
Surcharge received from beneficiaries	54.20	92.61	88.67	1.39	10.90
Hire charges for equipment	4.04	3.14	4.35	3.26	2.59
Net gain in foreign currency transactions & translations	136.64	51.65	28.12	61.25	31.49
Sale of scrap	82.98	85.60	89.06	80.08	57.98
Liquidated damages recovered	10.91	12.89	11.82	7.13	7.15
Profit on redemption of current investments	-	28.53	-	-	-
Net gain on sale of current investments	0.65	3.15	0.18	-	-
Miscellaneous income	140.17	180.36	195.21	241.92	115.38
Profit on disposal of fixed assets	4.54	12.86	4.76	13.40	8.37
	2,302.91	2,879.31	3,237.47	3,084.66	2,464.80
Less: Transferred to expenditure during construction period (net)- Note 29	97.60	60.38	53.35	73.09	33.00
Transferred to development of coal mines	5.62	7.16	8.30	2.95	0.06
Transferred to deferred foreign currency fluctuation asset/liability	120.78	51.65	27.90	61.25	31.49
Total	2,078.91	2,760.12	3,147.92	2,947.37	2,400.25

25. Employee benefits expense

	₹ Crore				
For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Salaries and wages	3,758.44	3,556.61	3,549.75	3,414.06	2,984.80
Contribution to provident and other funds	526.04	1,013.77	566.81	320.25	352.90
Staff welfare expenses	597.76	466.36	373.11	312.66	311.74
	4,882.24	5,036.74	4,489.67	4,046.97	3,649.44
Less: Allocated to fuel cost	215.78	245.73	197.62	168.36	172.88
Transferred to fly ash utilisation reserve fund	20.33	21.21	6.94	5.59	5.58
Transferred to development of coal mines	38.53	41.10	34.31	32.00	28.98
Reimbursements for employees on deputation	25.76	17.32	33.24	1.86	0.76
Transferred to expenditure during construction period (net)- Note 29	692.15	672.75	643.58	537.60	475.74
Total	3,889.69	4,038.63	3,573.98	3,301.56	2,965.50

26. Finance costs

₹ Crore

For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Interest on					
Bonds	1,182.58	961.67	900.87	831.50	805.35
Foreign currency term loans	244.61	253.96	235.33	205.71	177.52
Rupee term loans	5,234.59	4,427.22	3,833.62	3,170.07	2,397.48
Public deposits	0.03	0.05	0.16	1.24	1.24
Foreign currency bonds/notes	542.72	521.77	345.91	184.32	162.75
Cash credit	48.16	38.08	21.01	9.80	-
Others	15.75	26.86	73.22	66.07	82.55
	<u>7,268.44</u>	<u>6,229.61</u>	<u>5,410.12</u>	<u>4,468.71</u>	<u>3,626.89</u>
Other borrowing costs					
Guarantee fee	31.55	33.97	40.19	38.47	35.65
Management/Arrangers fee	40.48	16.41	36.24	10.97	25.92
Foreign currency bonds/notes expenses	17.28	1.07	6.05	17.10	-
Others	23.05	103.10	56.92	32.14	3.46
	<u>112.36</u>	<u>154.55</u>	<u>139.40</u>	<u>98.68</u>	<u>65.03</u>
Exchange differences regarded as an adjustment to interest costs	-	-	(350.21)	350.21	174.16
	<u>7,380.80</u>	<u>6,384.16</u>	<u>5,199.31</u>	<u>4,917.60</u>	<u>3,866.08</u>
Less: Transferred to expenditure during construction period (net)- Note 29	3,722.60	3,103.05	2,672.25	2,749.14	2,132.73
Transferred to development of coal mines	87.83	78.04	46.52	33.74	7.60
Total	<u><u>3,570.37</u></u>	<u><u>3,203.07</u></u>	<u><u>2,480.54</u></u>	<u><u>2,134.72</u></u>	<u><u>1,725.75</u></u>

27. Generation, administration & other expenses

₹ Crore

For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Power charges	250.05	340.33	204.31	244.98	152.68
Less: Recovered from contractors & employees	25.12	20.47	18.88	18.35	16.32
	224.93	319.86	185.43	226.63	136.36
Water charges	511.13	471.59	508.16	345.00	307.00
Stores consumed	55.03	52.02	49.90	48.02	38.55
Rent	47.09	40.35	37.16	35.18	30.21
Less: Recoveries	9.58	8.07	7.84	8.16	6.81
	37.51	32.28	29.32	27.02	23.40
Load dispatch centre charges	38.04	146.11	42.41	43.53	98.35
Repairs & maintenance					
Buildings	201.63	197.57	181.08	149.78	129.41
Plant & machinery	2,199.97	2,024.64	1,924.26	1,677.27	1,465.92
Others	150.05	133.31	113.35	103.22	108.90
Insurance	138.79	130.75	111.61	103.78	96.27
Interest to beneficiaries	98.61	59.80	5.72	(67.57)	3.61
Rates and taxes	55.61	42.44	38.11	27.41	26.01
Water cess & environment protection cess	36.15	38.58	35.82	25.72	38.59
Training & recruitment expenses	27.32	29.67	26.05	31.52	29.02
Less: Receipts	1.44	3.30	1.60	1.34	4.77
	25.88	26.37	24.45	30.18	24.25
Communication expenses	47.92	47.90	48.82	41.80	37.80
Travelling expenses	222.79	214.27	198.82	185.88	161.91
Tender expenses	41.55	33.85	24.52	23.98	27.82
Less: Receipt from sale of tenders	3.30	3.32	3.11	2.34	2.88
	38.25	30.53	21.41	21.64	24.94
Payment to auditors	4.37	3.64	3.29	2.99	3.09
Advertisement and publicity	20.88	15.37	13.92	12.69	14.98
Security expenses	472.18	406.69	357.79	314.32	260.25
Entertainment expenses	24.19	15.64	15.09	14.28	13.82
Expenses for guest house	26.13	24.14	21.26	17.89	15.03
Less: Recoveries	3.04	2.88	2.75	2.23	1.37
	23.09	21.26	18.51	15.66	13.66
Education expenses	36.39	38.09	9.41	10.14	25.50
Community development and welfare expenses	113.83	75.91	86.96	59.33	80.19
Less: Grants-in-aid	-	0.93	0.39	0.24	0.43
	113.83	74.98	86.57	59.09	79.76
Donation	-	0.22	0.14	(0.10)	-
Ash utilisation & marketing expenses	12.69	11.92	10.89	6.26	2.09
Directors sitting fee	0.49	0.47	0.35	0.30	0.31
Professional charges and consultancy fees	46.76	159.25	41.14	52.10	48.02
Legal expenses	40.53	32.53	28.34	16.60	15.85
EDP hire and other charges	19.38	18.48	15.34	15.17	16.36
Printing and stationery	13.60	14.94	13.70	12.67	13.23
Oil & gas exploration expenses	29.63	3.41	8.78	14.34	3.64
Rebate to customers & Reimbursement of L.C.charges on sales realisation	655.20	621.12	616.63	702.71	782.59
Net loss in foreign currency transactions & translations	6.39	22.57	6.11	37.24	6.64
Cost of Hedging	8.95	1.89	-	-	-
Hire charges of helicopter / aircraft	12.63	12.74	13.21	11.63	8.26
Miscellaneous expenses	224.55	202.31	178.25	163.91	137.65
Loss on disposal/write-off of fixed assets	147.22	75.51	62.25	66.48	62.22
	5,995.24	5,721.05	5,018.38	4,517.79	4,229.19
Less: Allocated to fuel cost	352.53	312.03	285.83	238.18	210.79
Transferred to fly ash utilisation fund	26.37	23.67	11.27	5.61	3.88

27. Generation, administration & other expenses

₹ Crore

For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Transferred to development of coal mines	19.05	129.63	13.62	12.92	14.11
Transferred to deferred foreign currency fluctuation asset/liability	6.22	6.84	2.30	17.64	0.05
Hedging cost recoverable from beneficiaries	4.59	-	-	-	-
Transferred to expenditure during construction period(net) - Note 29	459.45	505.67	395.58	444.14	325.93
	<u>5,127.03</u>	<u>4,743.21</u>	<u>4,309.78</u>	<u>3,799.30</u>	<u>3,674.43</u>
Provisions for					
Tariff adjustments	150.22	122.96	166.35	143.22	1,526.45
Obsolescence in stores	14.19	10.36	4.67	10.77	8.84
Unserviceable capital works	41.95	6.63	49.89	3.54	9.29
Unfinished minimum work programme for oil and gas exploration	5.00	7.36	5.08	41.19	-
Others	20.48	13.23	46.34	5.64	8.19
	<u>231.84</u>	<u>160.54</u>	<u>272.33</u>	<u>204.36</u>	<u>1,552.77</u>
Total	<u><u>5,358.87</u></u>	<u><u>4,903.75</u></u>	<u><u>4,582.11</u></u>	<u><u>4,003.66</u></u>	<u><u>5,227.20</u></u>

28. Prior period items (Net)

₹ Crore

For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Revenue					
Sales	208.32	0.41	0.06	9.00	520.68
Others	(9.56)	0.96	8.58	2.23	0.03
	<u>198.76</u>	<u>1.37</u>	<u>8.64</u>	<u>11.23</u>	<u>520.71</u>
Expenditure					
Employee benefits expense	0.37	(0.94)	(5.13)	(328.22)	(2.49)
Finance costs					
Interest	(132.29)	-	(12.00)	(0.44)	39.76
Other borrowing costs	-	-	(7.91)	-	-
Depreciation and amortisation	15.62	3.73	3.93	(0.43)	(1,170.72)
Generation, administration and other expenses					
Repairs and maintenance	4.22	1.35	0.77	(1.98)	26.32
Others	12.58	7.90	(7.19)	4.15	1.16
	<u>(99.50)</u>	<u>12.04</u>	<u>(27.53)</u>	<u>(326.92)</u>	<u>(1,105.97)</u>
Net Expenditure/(Revenue)	<u>(298.26)</u>	<u>10.67</u>	<u>(36.17)</u>	<u>(338.15)</u>	<u>(1,626.68)</u>
Less: Transferred to expenditure during construction period (net)-Note 29	20.51	(1.21)	(3.11)	(20.25)	35.45
Transferred to deferred foreign currency fluctuation asset/liability	(0.55)	-	0.72	-	-
Transferred to development of coal mines	-	0.03	-	(1.84)	-
Total	<u><u>(318.22)</u></u>	<u><u>11.85</u></u>	<u><u>(33.78)</u></u>	<u><u>(316.06)</u></u>	<u><u>(1,662.13)</u></u>

29. Expenditure during construction period (net)

₹ Crore

For the year ended	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
A. Employee benefits expense					
Salaries and wages	561.19	509.64	561.24	471.88	400.94
Contribution to provident and other funds	79.67	118.89	45.45	37.01	37.88
Staff welfare expenses	51.29	44.22	36.89	28.71	36.92
Total (A)	692.15	672.75	643.58	537.60	475.74
B. Finance costs					
Interest on					
Bonds	623.58	426.37	390.47	467.08	504.95
Foreign currency term loans	102.14	107.68	94.88	99.93	86.26
Rupee term loans	2,705.23	2,146.12	2,032.61	1,824.03	1,460.49
Foreign currency bonds/notes	221.09	284.19	222.88	104.91	37.47
Others	-	22.92	20.19	21.23	0.02
Other borrowing costs					
Foreign currency bonds/notes expenses	16.41	1.07	5.54	10.47	-
Management/arrangers/upfront fee	47.51	16.41	60.11	20.77	21.55
Others	6.64	98.29	30.82	15.47	7.36
Exchange differences regarded as an adjustment to interest costs	-	-	(185.25)	185.25	14.63
Total (B)	3,722.60	3,103.05	2,672.25	2,749.14	2,132.73
C. Depreciation and amortisation	84.71	273.56	41.37	37.17	32.16
D. Generation, administration & other expenses					
Power charges	147.06	247.61	128.17	172.27	87.12
Less: Recovered from contractors & employees	3.04	2.22	1.92	2.10	1.15
	144.02	245.39	126.25	170.17	85.97
Water charges	4.50	1.76	11.19	47.88	58.93
Rent	8.15	7.58	5.85	5.40	4.51
Repairs & maintenance					
Buildings	10.72	7.86	9.25	8.35	7.82
Plant and machinery	1.85	3.68	0.97	0.59	0.24
Others	42.23	30.76	28.55	21.89	16.81
	54.80	42.30	38.77	30.83	24.87
Insurance	1.89	1.67	2.26	2.12	0.86
Rates and taxes	8.98	2.94	1.39	2.54	1.52
Communication expenses	6.76	6.85	7.61	6.46	5.74
Travelling expenses	48.71	42.77	40.49	36.39	32.65
Tender expenses	11.50	7.76	7.32	5.24	9.29
Payment to auditors	0.07	0.06	0.07	0.05	0.06
Advertisement and publicity	1.56	2.70	1.73	0.89	0.51
Security expenses	72.50	58.07	58.84	50.08	44.32
Entertainment expenses	5.55	2.95	2.77	2.92	2.37
Expenses for guest house	5.19	5.24	5.33	3.94	3.23
Professional charges and consultancy fee	13.52	9.35	9.95	15.67	5.91
Legal expenses	7.07	6.06	5.55	2.28	4.09
EDP hire and other charges	2.09	1.54	1.54	1.34	1.47
Printing and stationery	2.18	1.84	1.61	1.49	1.21
Miscellaneous expenses	60.41	58.84	67.06	58.45	38.42
Total (D)	459.45	505.67	395.58	444.14	325.93
E. Less: Other income					
Interest from contractors	47.20	41.25	28.10	33.40	20.18
Interest others	16.34	3.79	6.32	19.68	9.65
Hire charges for equipment	1.82	2.99	3.76	2.79	1.61
Sale of scrap	1.09	0.33	1.30	8.29	0.59
Miscellaneous income	31.15	12.02	13.87	8.93	0.97
Total (E)	97.60	60.38	53.35	73.09	33.00
F. Prior period items (net)	20.51	(1.21)	(3.11)	(20.25)	35.45
Grand total (A+B+C+D-E+F)	4,881.82	4,493.44	3,696.32	3,674.71	2,969.01

Significant Accounting Policies and Other Notes to Accounts-Consolidated

Significant Accounting Policies for the Year ended 31.03.2015

A. Basis of preparation

These financial statements are prepared on accrual basis of accounting under historical cost convention in accordance with generally accepted accounting principles in India, accounting standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014, the Companies Act, 2013 (to the extent notified and applicable), applicable provisions of the Companies Act, 1956, and the provisions of the Electricity Act, 2003 to the extent applicable.

B. Use of estimates

The preparation of financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates & assumptions and such differences are recognized in the period in which the results are crystallized.

C. Grants-in-aid

1. Grants-in-aid received from the Central Government or other authorities towards capital expenditure as well as consumers' contribution to capital works are treated initially as capital reserve and subsequently adjusted as income in the same proportion as the depreciation written off on the assets acquired out of the grants.
2. Where the ownership of the assets acquired out of the grants vests with the government, the grants are adjusted in the carrying cost of such assets.
3. Grants from Government and other agencies towards revenue expenditure are recognized over the period in which the related costs are incurred and are deducted from the related expenses.

D. Fly ash utilisation reserve fund

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

E. Fixed assets

1. Tangible assets are carried at historical cost less accumulated depreciation/amortisation.
2. Expenditure on renovation and modernisation of tangible assets resulting in increased life and/or efficiency of an existing asset is added to the cost of related assets.
3. Intangible assets are stated at their cost of acquisition less accumulated amortisation.
4. Capital expenditure on assets not owned by the Company relating to generation of electricity business is reflected as a distinct item in capital work-in-progress till the period of completion and thereafter in the tangible assets. However, similar expenditure for community development is charged off to revenue.
5. Deposits, payments/liabilities made provisionally towards compensation, rehabilitation and other expenses relating to land in possession are treated as cost of land.
6. In the case of assets put to use, where final settlement of bills with contractors is yet to be effected, capitalisation is done on provisional basis subject to necessary adjustment in the year of final settlement.
7. Assets and systems common to more than one generating unit are capitalised on the basis of engineering estimates/assessments.

F. Capital work-in-progress

1. Administration and general overhead expenses attributable to construction of fixed assets incurred till they are ready for their intended use are identified and allocated on a systematic basis to the cost of related assets.
2. Deposit works/cost plus contracts are accounted for on the basis of statements of account received from the contractors.
3. Unsettled liabilities for price variation/exchange rate variation in case of contracts are accounted for on estimated basis as per terms of the contracts.

G. Oil and gas exploration costs

1. The Company follows 'Successful Efforts Method' for accounting of oil & gas exploration activities.
2. Cost of surveys and prospecting activities conducted in search of oil and gas is expensed off in the year in which it is incurred.
3. Acquisition and exploration costs are initially capitalized as 'Exploratory wells-in-progress' under Capital work-in-progress. Such exploratory wells in progress are capitalised in the year in which the producing property is created or written off in the year when determined to be dry/abandoned.

H. Development of coal mines

Expenditure on exploration and development of new coal deposits is capitalized as 'Development of coal mines' under capital work-in-progress till the mines project is brought to revenue account.

I. Foreign currency transactions

1. Foreign currency transactions are initially recorded at the rates of exchange ruling at the date of transaction.
2. At the balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling at the date of transaction.
3. Exchange differences arising from settlement/translation of foreign currency loans, deposits/liabilities relating to fixed assets/capital work-in-progress in respect of transactions entered prior to 01.04.2004, are adjusted in the carrying cost of related assets. Such exchange differences arising from settlement/translation of long term foreign currency monetary items in respect of transactions entered on or after 01.04.2004 are adjusted in the carrying cost of related assets.
4. Other exchange differences are recognized as income or expense in the period in which they arise.
5. Derivative contracts in the nature of forward contracts, options and swaps are entered into to hedge the currency and interest rate risk of foreign currency loans. Premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contracts. Exchange differences on such contracts, which relate to long-term foreign currency monetary items referred to in Policy I.3 are adjusted in the carrying cost of related assets. Other derivative contracts are marked-to-market at the Balance Sheet date and losses are recognised in the Statement of Profit and Loss. Gains arising on such contracts are not recognised, until realised, on grounds of prudence.

J. Borrowing costs

Borrowing costs attributable to the qualifying fixed assets during construction/exploration, renovation and modernisation are capitalised. Such borrowing costs are apportioned on the average balance of capital work-in-progress for the year. Other borrowing costs are recognised as an expense in the period in which they are incurred.

K. Investments

1. Current investments are valued at lower of cost and fair value determined on an individual investment basis.
2. Long term investments are carried at cost. Provision is made for diminution, other than temporary, in the value of such investments.

3. Premium paid on long term investments is amortised over the period remaining to maturity.

L. Inventories

1. Inventories are valued at the lower of, cost determined on weighted average basis and net realizable value.
2. The diminution in the value of obsolete, unserviceable and surplus stores & spares is ascertained on review and provided for.

M. Income recognition

1. Sales

- 1.1 Sale of energy is accounted for based on tariff rates approved by the Central Electricity Regulatory Commission (CERC) 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, provisional rates are adopted.
 - 1.2 In the case of NTPC Vidyut Vyapar Nigam Ltd. (a wholly owned subsidiary) which is in the energy trading business, sale of energy is accounted for based on the rates agreed with the customers.
 - 1.3 In the case of NTPC SAIL Power Company Pvt.Ltd. (50% JV), sale of energy in case of Captive Power Plants (CPP-II), which are not governed by the CERC, is accounted for based on the rates provided in the Power Purchase Agreement with SAIL.
 - 1.4 In the case of NTPC BHEL Power Projects Pvt. Ltd. (50% JV), sales are recorded based on significant risks and rewards of ownership being transferred in favour of the customer. Sales include goods dispatched to customers by partial shipment. For construction contracts, revenue is recognized on percentage completion method based on the percentage of actual cost incurred up to the reporting date to the total estimated cost of contract. Further, if it is expected that a contract will make a loss, the estimated loss is provided for in the books of account, based on technical assessments.
 - 1.5 In the case of Utility Powertech Ltd.(50% JV), income in respect of service contracts is recognized proportionate to value of work done / services rendered.
 - 1.6 In the case of NTPC Alstom Power Services Pvt.Ltd. (50% JV), revenues are recognised on a percentage completion method measured by segmented portions of the contract achieved which coincides with the billing schedules agreed with the customers. The relevant cost is recognised in the financial statements in the year of recognition of revenues. Recognition of profit is adjusted to ensure that it does not exceed the estimated overall contract margin. Further, if it is expected that a contract will make a loss, the estimated loss is provided for in the books of account, based on technical assessments.
 - 1.7 In the case of Transformers and Electricals Kerala Ltd. (44.60% JV), revenue in respect of sale of products is recognized when the goods are dispatched to the customers or when the invoices are raised but the goods are retained at own premises at the request of the customers to get their site ready for installation.
2. Advance against depreciation considered as deferred revenue in earlier years is included in sales, to the extent depreciation recovered in tariff during the year is lower than the corresponding depreciation charged.
 3. Exchange differences on account of translation of foreign currency borrowings recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability'. The increase or decrease in depreciation for the year due to the accounting of such exchange differences as per accounting policy no. I is adjusted in depreciation.

4. Exchange differences arising from settlement/translation of monetary items denominated in foreign currency (other than long term) to the extent recoverable from or payable to the beneficiaries in subsequent periods as per CERC Tariff Regulations are accounted as 'Deferred foreign currency fluctuation asset/liability' during construction period and adjusted from the year in which the same becomes recoverable/payable.
5. Premium, discount and exchange differences in respect of forward exchange contracts and mark to market losses in respect of other derivative contracts referred to in accounting policy no. I.5 recoverable from/payable to the beneficiaries as per CERC Tariff Regulations, are recognised in sales.
6. The surcharge on late payment/overdue sundry debtors for sale of energy is recognized when no significant uncertainty as to measurability or collectability exists.
7. Interest/surcharge recoverable on advances to suppliers as well as warranty claims/liquidated damages wherever there is uncertainty of realisation/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.
8. Income from consultancy services is accounted for on the basis of actual progress/technical assessment of work executed, in line with the terms of respective consultancy contracts. Claims for reimbursement of expenditure are recognized as other income, as per the terms of consultancy service contracts.
9. Scrap other than steel scrap is accounted for as and when sold.
10. Insurance claims for loss of profit are accounted for in the year of acceptance. Other insurance claims are accounted for based on certainty of realisation.

N. Expenditure

1. Depreciation/amortisation

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

In case of the Captive Power Plant-II (CPP-II) assets of NTPC SAIL Power Company Pvt.Ltd. (50% JV), which are not governed by CERC, depreciation is provided at a rate such that 95% of the gross block is depreciated over the residual life of those assets.

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

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

a) Kutcha Roads	2 years
b) Enabling works	
- residential buildings	15 years
- internal electrification of residential buildings	10 years
- non-residential buildings including their internal electrification, water supply, sewerage & drainage works, railway sidings, aerodromes, helipads and airstrips.	5 years
c) Personal computers & laptops including peripherals	3 years
d) Photocopiers, fax machines, water coolers and refrigerators	5 years
e) Temporary erections including wooden structures	1 year

- 1.4 Assets costing up to ₹ 5,000/- are fully depreciated in the year of acquisition.
- 1.5 Cost of software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or 3 years, whichever is less. Other intangible assets are amortized on straight line method over the period of legal right to use or life of the related plant, whichever is less.
- 1.6 Depreciation on additions to/deductions from fixed assets during the year is charged on pro-rata basis from/up to the month in which the asset is available for use/disposed.

- 1.7 Where the cost of depreciable assets has undergone a change during the year due to increase/decrease in long term liabilities on account of exchange fluctuation, price adjustment, change in duties or similar factors, the unamortised balance of such asset is charged off prospectively over the remaining useful life determined following the applicable accounting policies relating to depreciation/amortisation.
- 1.8 Where the life and/or efficiency of an asset is increased due to renovation and modernization, the expenditure thereon along-with its unamortized depreciable amount is charged off prospectively over the revised useful life determined by technical assessment.
- 1.9 Machinery spares which can be used only in connection with an item of plant and machinery and their use is expected to be irregular, are capitalised and fully depreciated over the residual useful life of the related plant and machinery.
- 1.10 Capital expenditure on assets not owned by the company referred in policy E.4 is amortised over a period of 4 years from the month in which the first unit of project concerned comes into commercial operation and thereafter from the month in which the relevant asset becomes available for use.
- 1.11 Leasehold land and buildings relating to generation of electricity business are fully amortised over lease period or life of the related plant whichever is lower following the rates and methodology notified by CERC Tariff Regulations. Leasehold land acquired on perpetual lease is not amortised.

In case of the Captive Power Plant –II (CPP-II) assets of NTPC SAIL Power Company Pvt.Ltd. (50% JV), which are not governed by CERC, leasehold lands other than acquired on perpetual lease are amortized over the lease period. Leasehold buildings are amortized over the lease period or 30 years, whichever is lower. Leasehold land and buildings, whose lease period is yet to be finalized, are amortized over a period of 30 years.

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

2. Other expenditure

- 2.1 Expenses on ex-gratia payments under voluntary retirement scheme, training & recruitment and research & development are charged to revenue in the year incurred.
- 2.2 Preliminary expenses on account of new projects incurred prior to approval of feasibility report/techno economic clearance are charged to revenue.
- 2.3 Net pre-commissioning income/expenditure is adjusted directly in the cost of related assets and systems.
- 2.4 Prepaid expenses and prior period expenses/income of items of ₹ 100,000/- and below are charged to natural heads of accounts.
- 2.5 Transit and handling losses of coal as per Company's norms are included in cost of coal.

O. Employee benefits

Employee benefits inter-alia include provident fund, pension, gratuity, post retirement medical facilities, compensated absences, long service award, economic rehabilitation scheme and other terminal benefits.

1. Company's contributions paid/payable during the year to provident fund and pension fund is recognised in the Statement of Profit and Loss. The same is paid to funds administered through separate trusts.
2. Company's liability towards gratuity, leave benefits (including compensated absences), post retirement medical facility and other terminal benefits is determined by independent actuary, at year end using the projected unit credit method. Past service costs are recognised on a straight line basis over the average period until the benefits become vested. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss. Liability for gratuity as per actuarial valuation is paid to a fund administered through a separate trust.

3. Short term employee benefits are recognised as an expense at the undiscounted amount in the statement of profit and loss for the year in which the related services are rendered.

P. Leases

1. Finance lease

- 1.1 Assets taken on finance lease are capitalized at fair value or net present value of the minimum lease payments, whichever is less.
- 1.2 Depreciation on the assets taken on finance lease is charged at the rate applicable to similar type of fixed assets as per accounting policy no. N.1.1 or N.1.2. If the leased assets are returnable to the lessor on the expiry of the lease period, depreciation is charged over its useful life or lease period, whichever is less.
- 1.3 Lease payments are apportioned between the finance charges and outstanding liability in respect of assets taken on lease.

2. Operating lease

Assets acquired on lease where a significant portion of the risk and rewards of the ownership is retained by the lessor are classified as operating leases. Lease rentals are charged to revenue.

Q. Impairment

The carrying amount of cash generating units is reviewed at each Balance Sheet date where there is any indication of impairment based on internal/external indicators. An impairment loss is recognised in the Statement of Profit and Loss where the carrying amount exceeds the recoverable amount of the cash generating units. The impairment loss is reversed if there is change in the recoverable amount and such loss either no longer exists or has decreased.

R. Provisions and contingent liabilities

A provision is recognised when the company has a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value. 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.

S. Segment reporting

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis are included under unallocated revenue/expenses/assets/liabilities.

T. Cash flow statement

Cash flow statement is prepared in accordance with the indirect method prescribed in Accounting Standard (AS) 3 on 'Cash Flow Statements'.

U. Taxes on income

Current tax is determined on the basis of taxable income in accordance with the provisions of the Income Tax Act, 1961. Deferred tax liability/asset resulting from 'timing difference' between accounting income and taxable income is accounted for considering the tax rate & tax laws that have been enacted or substantively enacted as on the reporting date. Deferred tax asset is recognized and carried forward only to the extent that there is reasonable certainty that the asset will be realized in future. Deferred tax assets are reviewed at each reporting date for their realisability.

Significant Accounting Policies for the Years ended 31.03.2011 to 31.03.2014 - Consolidated

Significant accounting policies for the financial years ended 31.03.2011 to 31.03.2014 are as set out under Annexure - V (Significant Accounting Policies & Other Notes) of the Stand-alone Reformatted Financial information.

NOTES TO CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR 2014-2015

1. Share capital

	31.03.2015	₹ Crore 31.03.2014
As at		
Equity share capital		
Authorised		
10,00,00,00,000 shares of par value of ₹10/- each (previous year 10,00,00,00,000 shares of par value of ₹10/- each)	<u>10,000.00</u>	<u>10,000.00</u>
Issued, subscribed and fully paid-up		
8,24,54,64,400 shares of par value of ₹10/- each (previous year 8,24,54,64,400 shares of par value of ₹10/- each)	<u>8,245.46</u>	<u>8,245.46</u>

- During the year, the Company has neither issued nor bought back any shares.
- The Company has only one class of equity shares having a par value ₹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.
- During the year, the Company has issued, out of the free reserves, 8.49% secured non-cumulative non-convertible redeemable taxable fully paid-up bonus debenture of ₹ 12.50 each for every fully paid-up equity share of par value of ₹ 10/-. Refer Note 2 (f).
- During the year ended 31st March 2015, the amount of per share dividend recognised as distribution to equity share holders is ₹ 2.50 (previous year ₹ 5.75).
- Details of shareholders holding more than 5% shares in the Company:

Particulars	31.03.2015		31.03.2014	
	No. of shares	%age holding	No. of shares	%age holding
- President of India	618,06,14,980	74.96	618,40,98,300	75.00
- Life Insurance Corporation of India	81,75,85,952	9.92	70,67,78,072	8.57

2. Reserves and surplus

₹ Crore

As at	31.03.2015	31.03.2014
Capital reserve		
As per last financial statements	400.97	408.97
Add : Transfer from surplus	0.12	4.98
Grants received during the year	20.00	20.32
Less : Adjustments during the year	23.49	33.30
	397.60	400.97
Securities premium account		
As per last financial statements	2,228.34	2,228.11
Add : Received during the year	-	0.23
	2,228.34	2,228.34
Foreign currency translation reserve	0.76	0.15
Debt service reserve		
As per last financial statements	244.01	81.84
Add : Transfer from surplus	3.41	162.17
	247.42	244.01
Self insurance reserve		
As per last financial statements	21.80	50.11
Less : Transfer to surplus	-	27.49
Adjustments during the year	(21.57)	0.82
	43.37	21.80
Bonds/Debentures redemption reserve		
As per last financial statements	2,764.91	2,535.33
Add : Transfer from surplus	1,156.19	576.08
Less : Transfer to surplus	296.50	346.50
	3,624.60	2,764.91
Fly ash utilisation reserve fund		
As per last financial statements	326.23	234.93
Add: Transfer from		
-Revenue from operations	115.11	122.55
-Other income	21.08	17.01
Less: Utilised during the year		
-Capital expenditure	12.72	0.49
-Employee benefits expense	20.33	5.73
-Other administration expenses	26.37	42.04
	403.00	326.23
Corporate social responsibility (CSR) reserve		
As per last financial statements	-	-
Add : Transfer from surplus	78.92	-
	78.92	-
General reserve		
As per last financial statements	71,965.83	66,958.67
Add : Transfer from surplus	7,020.16	5,012.08
Less: Issue of bonus debentures	10,306.83	-
Dividend distribution tax on bonus debentures	2,060.76	-
Adjustments during the year	455.57	4.92
	66,162.83	71,965.83
Surplus		

2. Reserves and surplus

₹ Crore

As at	31.03.2015	31.03.2014
As per last financial statements	1,132.02	732.87
Add: Profit for the year as per Statement of Profit and Loss	9,986.34	11,403.61
Transfer from bonds/debentures redemption reserve	296.50	346.50
Transfer from self insurance reserve	-	27.49
Less: Transfer to bonds/debentures redemption reserve	1,156.19	576.08
Transfer to capital reserve	0.12	4.98
Transfer to CSR reserve	78.92	-
Transfer to fly ash utilisation reserve fund	-	17.01
Transfer to debt service reserve	3.41	162.17
Transfer to general reserve	7,020.16	5,012.08
Dividend paid	618.42	3,300.69
Tax on dividend paid	136.17	560.96
Proposed dividend	1,442.96	1,491.07
Tax on proposed dividend	296.83	253.41
Net surplus	661.68	1,132.02
Total #	73,848.52	79,084.26

Includes ₹ 69.73 crore (previous year ₹ 758.91 crore) share of jointly controlled entities.

- a) (i) Pursuant to gazette notification dated 3rd 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 utilized only for the development of infrastructure or facility, promotion & facilitation activities for use of fly ash until 100 percent fly ash utilization level is achieved. Proceeds from sale of ash/ash products along-with income on investment of such proceeds are transferred to 'Fly ash utilisation reserve fund' in terms of provisions of above notification. The fund is utilized towards expenditure on development of infrastructure/facilities, promotion & facilitation activities for use of fly ash.
- (ii) Sale of fly ash and ash products generated at the power stations of the Company was carried out till 31st December 2014 by M/s NVVN Ltd., a wholly owned subsidiary of the Company. As per the decision of the Board of Directors of the Company such sales are directly made by the Company w.e.f 1st January 2015.
- (iii) The above fly ash utilisation reserve fund also includes ₹ 1.83 crore of M/s Aravali Power Company Private Ltd. and ₹ 0.03 crore of M/s NTPC SAIL Power Company Private Ltd., joint ventures of the Company, pursuant to above notification of MOEF.
- b) Capital reserve includes an amount of ₹ 237.86 crore (previous year ₹ 241.33 crore) relating to grant received from GOI through Government of Bihar for renovation and modernisation of Kanti Bijlee Utpadan Nigam Ltd.
- c) Debt service reserve has been created as per the loan agreement equivalent to two quarters' interest and principal repayment in respect of Aravali Power Company Pvt. Ltd..
- d) Self insurance reserve has been created by Ratnagiri Gas & Power Private Ltd. to cover machinery break-down for which no insurance cover agreement has been entered.

2. Reserves and surplus

₹ Crore

As at	31.03.2015	31.03.2014
e) In terms of Section 135 of the Companies Act, 2013 read with guidelines on corporate social responsibility issued by Department of Public Enterprises (DPE), GOI, the Central Public Sector Enterprises are 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. Keeping in view the above, an amount of ₹ 78.92 crore has been appropriated to CSR reserve from surplus during the year.		
f) During the year, the Company, out of free reserves issued one 8.49 % secured non-cumulative non-convertible redeemable taxable fully paid-up debenture of ₹ 12.50 by way of bonus for each fully paid-up equity share of par value ₹ 10/-. The debenture amount of ₹ 10,306.83 crore and dividend distribution tax thereon of ₹ 2,060.76 crore has been debited to general reserve.		
g) During the year, the Company has paid interim dividend of ₹ 0.75 (previous year ₹ 4.00) per equity share of par value ₹ 10/- each for the year 2014-15. Further, the Company has proposed final dividend of ₹ 1.75 (previous year ₹ 1.75) per equity share of par value ₹ 10/- each for the year 2014-15. Thus, the total dividend (including interim dividend) for the financial year 2014-15 is ₹ 2.50 (previous year ₹ 5.75) per equity share of par value ₹ 10/- each.		
h) In line with the provisions of Schedule-II to the Companies Act, 2013, the Company revised accounting policies related to depreciation. Consequently, ₹ 3.58 crore (net of deferred tax of ₹ 1.89 crore) has been adjusted from the opening balance of general reserve where the remaining useful life of assets is Nil as at 1 st April 2014.		
i) During the previous year, an amount of ₹ 112.05 crore was reported by M/s Ratnagiri Gas & Power Pvt. Ltd., a Joint Venture of the Company, as profit after tax in their un-audited accounts, considered for consolidation of NTPC Group. Subsequently, the audited accounts of the Company reported a loss of ₹1,486.47 crore. The consequential impact, in proportion to the Company's share holding in the joint venture, amounting to ₹ 466.56 crore has been included in the adjustments to the general reserve during the current year.		

3. Deferred revenue

	₹ Crore	
As at	31.03.2015	31.03.2014
On account of advance against depreciation	409.20	692.55
On account of income from foreign currency fluctuation	984.95	917.33
Total #	1,394.15	1,609.88

Includes ₹ Nil (previous year ₹ Nil) share of jointly controlled entities.

- a) Advance against depreciation (AAD) was an element of tariff provided under the Tariff Regulations for 2001-04 and 2004-09 to facilitate debt servicing by the generators since it was considered that depreciation recovered in the tariff considering a useful life of 25 years is not adequate for debt servicing. Though this amount is not repayable to the beneficiaries, keeping in view the matching principle, and in line with the opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI), this was treated as deferred revenue to the extent depreciation chargeable in the accounts is considered to be higher than the depreciation recoverable in tariff in future years. Since AAD is in the nature of deferred revenue and does not constitute a liability, it has been disclosed in this note separately from shareholders' funds and liabilities.
- b) The balance of AAD as at 31st March 2014 was reviewed considering the accounting policy no. M.2 and excess of depreciation charged in the books over the depreciation recovered in tariff, amounting to ₹ 208.32 crore has been recognised as prior period sales (Note 27).
- c) In line with significant accounting policy no. M.2 , an amount of ₹ 75.03 crore (previous year ₹ 16.05 crore) has been recognized during the year from the AAD and included in energy sales (Note 22).
- d) 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 asset by corresponding credit to deferred income from foreign currency fluctuation in respect of the FERV on foreign currency loans adjusted in the cost of fixed assets, which is recoverable from the customers in future years as provided in accounting policy no. M.3 . This amount will be recognized as revenue corresponding to the depreciation charge in future years. The amount does not constitute a liability to be discharged in future periods and hence, it has been disclosed separately from shareholder's funds and liabilities.

4. Long-term borrowings

	₹ Crore	
As at	31.03.2015	31.03.2014
Bonds / Debentures		
Secured		
8.61% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2034 (Fifty first issue C - Private Placement) ^{III} . Secured during the current year.	320.00	320.00
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹1,000/- each redeemable at par in full on 16 th December 2033 (Fiftieth issue - Public Issue - Series 3A) ^{VII}	312.03	312.03
8.91% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2033 (Fiftieth issue - Public Issue - Series 3B) ^{VII}	399.97	399.97
8.63% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2029 (Fifty first issue B - Private Placement) ^{III} . Secured during the current year.	105.00	105.00
8.48% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2028 (Fiftieth issue - Public Issue - Series 2A) ^{VII}	249.95	249.95
8.73% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2028 (Fiftieth issue - Public Issue - Series 2B) ^{VII}	91.39	91.39
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 22 nd September 2024 (Fifty third issue - Private Placement) ^{IX}	1,000.00	-
9.34% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 24 th March 2024 (Fifty second issue - Private Placement) ^{III} . Secured during the current year.	750.00	750.00
8.19% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2024 (Fifty first issue A - Private Placement) ^{III} . Secured during the current year.	75.00	75.00
8.41% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2023 (Fiftieth issue - Public Issue - Series IA) ^{VII}	488.02	488.02
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2023 (Fiftieth issue - Public Issue - Series 1B) ^{VII}	208.64	208.64
9.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 04 th May 2023 and ending on 04 th May 2027 (Forty fourth issue - Private Placement) ^{VII}	500.00	500.00
8.48% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 1 st May 2023 (Seventeenth issue - Private Placement) ^I	50.00	50.00
8.80% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th April 2023 (Forty ninth issue - Private Placement) ^{VII}	200.00	200.00

4. Long-term borrowings

	₹ Crore	
As at	31.03.2015	31.03.2014
8.49% Secured non-cumulative non-convertible redeemable taxable fully paid-up bonus debentures of ₹ 12.50 each redeemable at par in three annual installments of ₹ 2.50, ₹ 5.00 and ₹ 5.00 at the end of 8 th year, 9 th year and 10 th year on 25 th March 2023, 25 th March 2024 and 25 th March 2025 respectively (Fifty fourth issue -Bonus Debentures) ^X - (refer note 5 d)	10,306.83	-
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 7 th March 2023 (Forty eighth issue - Private Placement) ^{VII} . Secured during the current year.	300.00	300.00
9.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 25 th January 2023 and ending on 25 th January 2027 (Forty second issue - Private Placement) ^{III}	500.00	500.00
8.84% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th October 2022 (Forty seventh issue - Private Placement) ^{VII}	390.00	390.00
8.93% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 19 th January 2021 (Thirty seventh issue - Private Placement) ^{III}	300.00	300.00
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 31 st March 2020 (Thirty third issue-Private Placement) ^{III}	195.00	195.00
8.78% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 9 th March 2020 (Thirty first issue-Private Placement) ^{III}	500.00	500.00
11.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in five equal annual installments commencing from 6 th November 2019 and ending on 6 th November 2023 (Twenty seventh issue - Private Placement) ^{III}	350.00	350.00
7.89% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 5 th May 2019 (Thirtieth issue - Private Placement) ^{III}	700.00	700.00
8.65% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th February 2019 (Twenty ninth issue - Private Placement) ^{III}	550.00	550.00
7.50% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 12 th January 2019 (Nineteenth issue - Private Placement) ^{II}	50.00	50.00
11.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 21 st November 2018 (Twenty eighth issue - Private Placement) ^{III}	1,000.00	1,000.00
9.3473% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 20 th July 2018 and ending on 20 th July 2032 (Forty sixth issue - Private Placement) ^{VII}	75.00	75.00

4. Long-term borrowings

As at	₹ Crore	
	31.03.2015	31.03.2014
9.4376% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 16 th May 2018 and ending on 16 th May 2032 (Forty fifth issue - Private Placement) ^{VII}	75.00	75.00
8.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 10 th April 2018 (Sixteenth issue - Private Placement) ^I	100.00	100.00
9.2573% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 2 nd March 2018 and ending on 2 nd March 2032 (Forty third issue - Private Placement) ^{III}	75.00	75.00
9.6713 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 23 rd December 2017 and ending on 23 rd December 2031 (Forty first issue - Private Placement) ^{III}	75.00	75.00
9.558 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 29 th July 2017 and ending on 29 th July 2031 (Fortieth issue - Private Placement) ^{III}	75.00	75.00
9.3896% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 9 th June 2017 and ending on 9 th June 2031 (Thirty ninth issue - Private Placement) ^{III}	105.00	105.00
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 22 nd March 2017 and ending on 22 nd March 2031 (Thirty eighth issue - Private Placement) ^{III}	75.00	75.00
8.8086% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th December 2016 and ending on 15 th December 2030 (Thirty sixth issue - Private Placement) ^{III}	75.00	75.00
8.785% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th September 2016 and ending on 15 th September 2030 (Thirty fifth issue - Private Placement) ^{III}	120.00	120.00

4. Long-term borrowings

As at	₹ Crore	
	31.03.2015	31.03.2014
8.71% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 10 th June 2016 and ending on 10 th June 2030 (Thirty fourth issue - Private Placement) ^{III}	150.00	150.00
8.8493% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 25 th March 2016 and ending on 25 th March 2030 (Thirty second issue - Private Placement) ^{III}	98.00	105.00
9.37% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty fifth issue - Private Placement) ^{III}	214.00	285.50
9.06% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty sixth issue - Private Placement) ^{III}	214.00	285.50
8.6077% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 9 th September 2011 and ending on 9 th March 2021 (Twenty fourth issue - Private Placement) ^{IV}	250.00	300.00
8.3796% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 5 th August 2011 and ending on 5 th February 2021 (Twenty third issue - Private Placement) ^{IV}	250.00	300.00
8.1771% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd July 2011 and ending on 2 nd January 2021 (Twenty second issue - Private Placement) ^{IV}	250.00	300.00
7.7125% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd August 2010 and ending on 2 nd February 2020 (Twenty first issue - Private Placement) ^V	400.00	500.00
7.552% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 23 rd September 2009 and ending on 23 rd March 2019 (Twentieth Issue - Private Placement) ^{VI}	150.00	200.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each with ten equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of the 6 th year and in annual installments thereafter upto the end of 15 th year respectively from 30 th April 2002 (Thirteenth issue - Part B - Private Placement) ^{VIII}	150.00	225.00

4. Long-term borrowings

	₹ Crore	
As at	31.03.2015	31.03.2014
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each redeemable at par in ten equal annual installments commencing from the end of 6 th year and upto the end of 15 th year respectively from 18 th April 2002 (Thirteenth issue -Part A - Private Placement) ^{VIII}	150.00	225.00
	23,017.83	12,311.00
Foreign currency notes		
Unsecured		
4.375 % Fixed rate notes due for repayment on 26 th November 2024	3,159.50	-
4.750 % Fixed rate notes due for repayment on 3 rd October 2022	3,159.50	3,030.50
5.625 % Fixed rate notes due for repayment on 14 th July 2021	3,159.50	3,030.50
5.875 % Fixed rate notes due for repayment on 2 nd March 2016	-	1,818.30
Term loans		
From Banks		
Secured		
Rupee loans ^{XI}	8,024.13	3,399.34
Foreign currency loans ^{XI}	237.92	-
Unsecured		
Foreign currency loans	8,362.55	6,290.80
Rupee loans	20,835.85	18,905.07
From Others		
Secured		
Rupee loans ^{XI}	6,545.28	9,708.46
Unsecured		
Foreign currency loans (guaranteed by GOI)	2,035.26	2,456.03
Other foreign currency loans	2,815.56	2,026.88
Rupee loans	11,941.90	12,503.04
Deposits		
Unsecured		
Fixed deposits	-	0.09
Long term maturities of finance lease obligations		
Unsecured	68.14	62.29
Total[#]	93,362.92	75,542.30

Includes ₹ 9,937.76 crore (previous year ₹ 9,082.32 crore) share of jointly controlled entities.

4. Long-term borrowings

a) Details of terms of repayment and rate of interest

₹ Crore

Particulars	Non current portion		Current portion		Total	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Term loans						
Secured						
Ruppee loans - Banks	8,024.13	3,399.34	308.83	310.00	8,332.96	3,709.34
Ruppee loans - Others	6,545.28	9,708.46	261.33	395.34	6,806.61	10,103.80
Foreign currency loans - Banks	237.92	-	-	-	237.92	-
	14,807.33	13,107.80	570.16	705.34	15,377.49	13,813.14
Unsecured						
Foreign currency loans (guaranteed by GOI) - Others	2,035.26	2,456.03	154.61	173.40	2,189.87	2,629.43
Foreign currency loans - Banks	8,362.55	6,290.80	281.82	257.84	8,644.37	6,548.64
Other foreign currency loans - Others	2,815.56	2,026.88	406.02	393.67	3,221.58	2,420.55
Ruppee loans - Banks	20,835.85	18,905.07	2,545.98	1,764.06	23,381.83	20,669.13
Ruppee loans - Others	11,941.90	12,503.04	1,794.64	1,591.23	13,736.54	14,094.27
	45,991.12	42,181.82	5,183.07	4,180.20	51,174.19	46,362.02
Fixed deposits (unsecured)	-	0.09	-	0.43	-	0.52

- i) Secured rupee term loan from banks carry interest linked to SBI base rate or fixed interest rate ranging from 8% to 11.25% p.a., with monthly/quarterly/half-yearly rests. These loans are repayable in quarterly/half-yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of four to fifteen years after a moratorium period of six months from the COD or three to five years from the date of the loan agreement.
- ii) Secured rupee term loan from others carry interest linked to SBI base rate, SBI Advance Rate, rate notified by the lender for category 'A' public sector undertaking, AAA bond yield rates plus agreed margin or fixed interest rate ranging from 7.71% to 13.00% p.a., with monthly/quarterly/half-yearly rests. These loans are repayable in quarterly/half-yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of four to fifteen years after a moratorium period of six months from the COD or three to five years from the date of the loan agreement.
- iii) Secured foreign currency term loan facility has been tied up with SBI, Tokyo by one of the joint venture companies during the year which carries interest rate ranging from 3.00% to 5.17% linked to LIBOR with half yearly rests. The loan is repayable in twenty four half-yearly installments commencing from 28th September 2017.
- iv) Unsecured foreign currency loans (guaranteed by GOI) - Others carry fixed rate of interest ranging from 1.80% p.a. to 2.30% p.a. and are repayable in 23 to 32 semi annual installments as of 31st March 2015.
- v) Unsecured foreign currency loans – Banks include loans of ₹ 642.54 crore (previous year ₹ 589.81 crore) which carry fixed rate of interest of 1.88% p.a. to 4.31% p.a. and loans of ₹ 8,001.83 crore (previous year ₹ 5,958.83 crore) which carry floating rate of interest linked to 6M LIBOR. These loans are repayable in 2 to 24 semiannual instalments as of 31st March 2015, commencing after moratorium period if any, as per the terms of the respective loan agreements.
- vi) Unsecured foreign currency loans – Others include loans of ₹ 2,516.58 crore (previous year ₹ 1,424.92 crore) which carry fixed rate of interest ranging from 1.88% p.a. to 4.31% p.a. and loans of ₹ 705.00 crore (previous year ₹ 995.63 crore) which carry floating rate of interest linked to 6M LIBOR/6M EURIBOR. These loans are repayable in 4 to 22 semiannual installments as of 31st March 2015, commencing after moratorium period if any, as per the terms of the respective loan agreements.

4. Long-term borrowings

- vii) Unsecured rupee term loans carry interest rate ranging from 7.00 % p.a. to 12.40 % p.a. with monthly/half-yearly rests. These loans are repayable in quarterly/half-yearly/yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of seven to ten years after a moratorium period of six months to six years.
- b) The finance lease obligations are repayable in installments as per the terms of the lease agreement over a period of seven years.
- c) There has been no default in repayment of any of the loans or interest thereon as at the end of the year except that M/s Ratnagiri Gas & Power Pvt. Ltd, a Joint Venture Companies in which the Company has 28.91% share has defaulted in payment of principal and interest amounting to ₹ 405.87 crore and ₹ 579.71 crore respectively as at the end of the year for a period varying from 31 to 533 days.
- d) During the year, the Company out of free reserves issued one 8.49% secured non-cumulative non-convertible redeemable taxable fully paid-up debenture of ₹ 12.50 by way of bonus for each fully paid-up equity share of par value of ₹ 10/- amounting to ₹ 10,306.83 crore. Refer Note 3 f). An amount of ₹ 5,650.00 crore has been utilized till 31st March 2015 for the purpose mentioned in the Scheme of Arrangement.
- e) The non current portion of fixed deposits has been repaid during the year in compliance to the provisions of the Companies Act,2013.

Details of securities

- I Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to National Capital Power Station.
- II Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydrel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement.
- III Secured by (I) English mortgage, on first pari passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Sipat Super Thermal Power Project by extension of charge already created.
- IV Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of the title deeds of the immovable properties pertaining to Sipat Super Thermal Power Project.
- V Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Barh Super Thermal Power Project on first pari-passu charge basis, ranking pari passu with charge already created in favour of Trustee for other Series of Bonds and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Ramagundam Super Thermal Power Station by extension of charge already created.
- VI Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to Ramagundam Super Thermal Power Station.
- VII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to National Capital Power Station by extension of charge already created.
- VIII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydrel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Singrauli Super Thermal Power Station by extension of charge already created.
- IX Secured by English mortgage of the immovable properties pertaining to Solapur Super Thermal Power Project on first charge basis.
- X Secured by Equitable mortgage of the immovable properties pertaining to Barh Super Thermal Power Project on first charge basis.
- XI (i) Secured by equitable mortgage of present and future immoveable property and hypothecation of moveable fixed assets of Bhilai Expansion Project (CPP - III) belonging to M/s NTPC SAIL Power Company Pvt.Ltd.

- (ii) Secured by equitable mortgage of present and future immovable property and hypothecation of moveable fixed assets of CPP-II at Rourkela, Durgapur and Bhilai belonging to M/s NTPC SAIL Power Company Pvt.Ltd.
- (iii) Secured by first charge by way of hypothecation of all moveable assets of Indira Gandhi Super Thermal Power Project (3 X 500 MW) Coal Based Thermal Power Project at Jhajjar Distt. in state of Haryana belonging to M/s Aravali Power Company Pvt.Ltd. (APCPL), comprising its movable plant and machinery, machinery spares, tools and accessories, furniture & fixture, vehicles and all other movable assets, present and future, including intangible assets, goodwill, uncalled capital, revenue and receivable of the project except for specified receivables on which first charge would be ceded to working capital lenders present and future; and

Secured by first charge by way of mortgage by deposit of title deed of lands (approx 2049.11 acres) and other immovable properties of Indira Gandhi Super Thermal Power Project (3 x 500 MW) coal based thermal power project at jhajjar district in State of Haryana together with buildings and structure erected/ constructed/ standing thereon and all plant and machinery, and equipment attached to the earth or permanently fastened to the earth comprised therein, in respect of which M/s APCPL, as a owner seized and possessed of and otherwise well and fully entitled to, both present and future assets; and

First charge by way of assignment or creation of charge on all rights, title, interest, benefit, claim and demand whatsoever of M/s APCPL regarding project document, letter of credit, guarantees, performance bond and all insurance contracts / proceeds duly consented by the relevant counter parties; and

Power Finance Corporation Ltd. has ceded first pari passu charge to the extent of ₹1,325.00 crore on the moveable assets, revenue and receivables in favour of the working capital lenders.

- (iv) Secured by equitable mortgage/ hypothecation of all present and future fixed and movable assets of Nabinagar TPP (4*250) MW of Bhartiya Rail Bijlee Company Ltd., a subsidiary company, as first charge, ranking pari passu with charge already created with PFC for 60% of total debts and balance 40% with REC.
- (v) Secured by equitable mortgage/hypothecation of all the present and future fixed assets and moveable assets of power plant and associated LNG facilities at village Anjanwel, Guhagar, Distt. Ratnagiri of M/s Ratnagiri Gas & Power Pvt.Ltd.
- (vi) Secured by a first priority charge on all assets of the Project, present & future, movable & immovable and land, in respect of loan from consortium led by SBI for Kanti Bijlee Utpadan Nigam Ltd. expansion project. The security will rank pari-pasu with all term lenders of the project. The charge has been created in favor of Security trustee i.e. SBI Cap Trustee Co. Ltd. Legal mortgage of land in favor of security trustee has been executed for 877.18 acres of land.
- (vii) Secured by Equitable mortgage, by way of first charge, by deposit of the title deeds of the immovable properties pertaining to Meja Thermal Power Project. Deed of Hypothecation for all present and future movable assets of Meja Urja Nigam Private Limited has also been executed with the Security Trustee and the Indenture of Mortgage with the Security Trustee has been registered with appropriate authority.
- (viii) Secured by a first priority charge on all assets of the Nabinagar Power Generating Company Pvt.Ltd., present and future, movable and immovable through a deed of hypothecation and simple mortgage of 2,500 acres of land.
- (ix) Secured by first charge on all movable and immovable, present and future assets of the NTPC Tamilnadu Energy Company Ltd.
- (x) Secured by first charge by way of hypothecation in favour of the Power Finance Corporation Ltd. of all the moveable assets of the project (save and except book debts) including moveable property, machinery spares, tools and accessories, fuel stock, spares and material at project both present and future of M/s National High Power Test Laboratory Pvt. Ltd.

XII Security cover mentioned at sl. no. I to XI is above 100% of the debt securities outstanding.

5. Short-term borrowings

	₹ Crore	
As at	31.03.2015	31.03.2014
Loans repayable on demand		
From Banks		
Secured		
Cash Credit	640.15	433.64
Total #	640.15	433.64

Includes ₹ 491.63 crore (previous year ₹ 361.01 crore) share of jointly controlled entities.

- a) Includes cash credit secured by hypothecation of stock in trade, book debts of Stage-I of M/s Kanti Bijlee Utpadan Nigam Ltd. with floating rate of interest linked to the bank's base rate.
- b) Includes borrowings secured by way of first pari-passu charge along with Power Finance Corporation Ltd. on the fixed assets, revenue and receivables of M/s Aravali Power Company Pvt. Ltd.. Rate of interest is applicable at the base rate of the respective banks.
- c) Includes cash credit secured by paripassu charge on spares, present and future stock of coal and fuel at various places of M/s NTPC Tamilnadu Energy Company Limited and Debtors with floating rate of interest linked to bank's base rate.
- d) There has been no default in payment of principal and interest as at the end of the year.

6. Deferred tax liabilities (net)

₹ Crore

	As at 01.04.2014	Additions/ (Adjustments) during the year	As at 31.03.2015
Deferred tax liability			
Difference of book depreciation and tax depreciation	6,912.65	1,184.98	8,097.63
Less: Deferred tax assets			
Provisions & other disallowances for tax purposes	777.56	(64.57)	712.99
Disallowances u/s 43B of the Income Tax Act, 1961	393.13	70.87	464.00
	<u>5,741.96</u>	<u>1,178.68</u>	<u>6,920.64</u>
Less: Deferred asset for deferred tax liability	4,502.65	1,152.38	5,655.03
Total #	<u>1,239.31</u>	<u>26.30</u>	<u>1,265.61</u>

Includes ₹ 268.68 crore (previous year ₹ 187.26 crore) share of jointly controlled entities.

- The net increase during the year in the deferred tax liability of ₹ 29.21 crore (previous year increase of ₹ 158.59 crore) has been debited to Statement of Profit and Loss. Further, an amount of ₹ 2.91 crore has been credited to general reserve.
- Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.
- CERC Regulations, 2014 provide for recovery of deferred tax liability as on 31st March 2009 from the beneficiaries. Accordingly, deferred tax liability as on 31st March 2009 is recoverable on materialisation from the beneficiaries. For the period commencing 1st April 2014, Regulations, 2014 provide for grossing up of the 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. Deferred asset for deferred tax liability for the year will be reversed in future years when the related deferred tax liability forms a part of current tax.

7. Other long-term liabilities

	₹ Crore	
As at	31.03.2015	31.03.2014
Trade payables	9.22	6.00
Deferred foreign currency fluctuation liability	259.90	151.99
Other liabilities		
Payable for capital expenditure	3,179.44	2,853.96
Others	33.29	69.63
Total #	3,481.85	3,081.58

Includes ₹ 204.06 crore (previous year ₹ 156.35 crore) share of jointly controlled entities.

- a) In line with accounting policy no.M.4 deferred foreign currency fluctuation liability to the extent of ₹ 107.91 crore (previous year ₹ 16.39 crore) has been made during the year.
- b) Other liabilities - Others include deposits received from contractors, customers and other parties.

8. Long-term provisions

	₹ Crore	
Provision for		
Employee benefits	1,131.24	886.71
Contractual obligations	12.13	10.09
Total #	1,143.37	896.80

Includes ₹ 27.66 crore (previous year ₹ 17.44 crore) share of jointly controlled entities.

- a) Disclosure as per AS 15 on 'Employee Benefits' has been made in Note-40.
- b) Disclosure as per AS 29 on 'Provisions, Contingent Liabilities and Contingent Assets' has been made in Note-48.

9. Trade payables

	₹ Crore	
For goods and services#		
	7,107.63	7,223.96

Includes ₹ 556.41 crore (previous year ₹ 287.98 crore) share of jointly controlled entities.

10. Other current liabilities

As at	₹ Crore	
	31.03.2015	31.03.2014
Current maturities of long term borrowings		
Bonds-Secured	600.00	593.00
5.875% Foreign currency fixed rates note-Unsecured	1,895.70	-
From Banks		
Secured		
Rupee term loans	308.83	310.00
Unsecured		
Foreign currency loans	281.82	257.84
Rupee term loans	2,545.98	1,764.06
From Others		
Secured		
Rupee term loans	261.33	395.34
Unsecured		
Foreign currency loans (guaranteed by GOI)	154.61	173.40
Other foreign currency loans	406.02	393.67
Rupee term loans	1794.64	1591.23
Fixed deposits	-	0.43
	8,248.93	5,478.97
Current maturities of finance lease obligations-Secured	-	0.07
Interest accrued but not due on borrowings	835.80	811.80
Interest accrued and due on borrowings	167.59	47.87
Unpaid dividends	14.97	14.21
Unpaid matured deposits and interest accrued thereon	0.21	0.22
Unpaid matured bonds and interest accrued thereon	0.72	0.58
Unpaid bond refund money-Tax free bonds	0.16	0.52
Book overdraft	546.01	3.07
Advances from customers and others	600.51	508.10
Payable for capital expenditure	7,581.86	5,279.85
Derivative MTM Liability	4.59	-
Other payables		
Tax deducted at source and other statutory dues	320.98	255.49
Deposits from contractors and others	764.01	952.28
Gratuity obligations	0.32	30.10
Payable to employees	331.54	288.68
Others	783.94	755.37
Total #	20,202.14	14,427.18

Includes ₹ 2,151.13 crore (previous year ₹ 1,640.00 crore) share of jointly controlled entities.

10. Other current liabilities

- a) Details in respect of rate of interest and terms of repayment of current maturities of secured and unsecured long term borrowings indicated above are disclosed in Note 4.
- b) Interest accrued and due on borrowings pertains to M/s Ratnagiri Gas & Power Private Limited, a joint Venture of the Company.
- c) Unpaid dividends, matured deposits, bonds and interest include the amounts which have either not been claimed by the investors/holders of the equity shares/bonds/fixed deposits or are on hold pending legal formalities etc. Out of the above, the amount required to be transferred to Investor Education and Protection Fund has been transferred.
- d) Payable for capital expenditure includes liabilities of ₹ 142.92 crore (previous year ₹ 165.11 crore) towards an equipment supplier pending evaluation of performance and guarantee test results of steam/turbine generators at some of the stations. Pending settlement, liquidated damages recoverable for shortfall in performance of these equipments, if any, have not been recognised.
- e) The Company had obtained exemption from the Ministry of Corporate Affairs (MCA), GOI in respect of applicability of Section 58A of Companies Act,1956 in respect of public deposits, for the employees rehabilitation scheme deposits obtained from dependants of employees who die or suffer permanent total disability. Consequent upon enactment of the Companies Act, 2013, the Company has applied to the MCA for continuation of above exemption, which is still awaited. The Company has been advised that the exemption earlier granted shall hold good.
- f) Other payables - Others include amount payable to hospitals, retired employees, parties for stale cheques, etc.

11. Short-term provisions

	₹ Crore	
As at	31.03.2015	31.03.2014
Provision for		
Employee benefits	1,186.50	1,088.52
Proposed dividend	1,442.96	1,491.06
Tax on proposed dividend	300.83	253.41
Obligations incidental to land acquisition	3,244.70	3,001.72
Tariff adjustment	1,263.75	1,293.69
Others	557.67	451.93
Total #	7,996.41	7,580.33

Includes ₹ 92.98 crore (previous year ₹ 146.50 crore) share of jointly controlled entities.

- a) Disclosure as per AS 15 on 'Employee Benefits' has been made in Note 40.
- b) Disclosure required by AS 29 on 'Provisions, Contingent Liabilities and Contingent Assets' has been made in Note 48.
- c) The Company aggrieved over many of the issues as considered by the CERC in the tariff orders for its stations for the period 2004-09 had filed appeals with the Appellate Tribunal for Electricity (APTEL). The APTEL disposed off the appeals favourably directing the CERC to revise the tariff orders as per directions and methodology given. Some of the issues decided in favour of the Company by the APTEL were challenged by the CERC in the Hon'ble Supreme Court of India. Subsequently, the CERC has issued revised tariff orders for all the stations except one for the period 2004-09, considering the judgment of APTEL subject to disposal of appeals pending before the Hon'ble Supreme Court of India. Towards the above and other anticipated tariff adjustments, provision of ₹ 150.22 crore (previous year ₹ 122.96 crore) has been made during the year and in respect of some of the stations, an amount of ₹ 180.16 crore (previous year ₹ 162.56 crore) has been written back.
- d) Provision for Others include ₹58.64 crore (previous year ₹ 53.64 crore) towards cost of unfinished minimum work programme demanded by the Ministry of Petroleum and Natural Gas (MoP&NG) including interest thereon in relation to block AA-ONN-2003/2, ₹ 440.35 crore (previous year ₹ 378.52 crore) towards provision for litigation cases and ₹ 6.06 crore (previous year ₹ 6.17 crore) towards provision for shortage in fixed assets pending investigation, provision for current tax of ₹ 24.05 crore (previous year ₹ 5.20 crore) and provision for custome duty of ₹23.13 crore (previous year ₹23.13 crore).

12. Tangible assets

₹ Crore

	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2014	Additions	Deductions/ Adjustments	As at 31.03.2015	Upto 01.04.2014	For the year	Deductions/ Adjustments	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Land										
(including development expenses)										
Freehold	6,959.12	411.14	(349.18)	7,719.44	-	-	-	-	7,719.44	6,959.12
Leasehold	2,439.33	645.07	(155.55)	3,239.95	444.40	60.84	(12.03)	517.27	2,722.68	1,994.93
Roads, bridges, culverts & helipads	741.71	103.49	(77.40)	922.60	234.05	31.51	(0.15)	265.71	656.89	507.66
Buildings										
Freehold										
Main plant	5,419.18	458.93	66.25	5,811.86	1,550.73	158.87	25.66	1,683.94	4,127.92	3,868.45
Others	2,932.72	405.19	(158.72)	3,496.63	1,104.12	127.32	(22.46)	1,253.90	2,242.73	1,828.60
Leasehold	51.59	-	(0.01)	51.60	29.64	1.89	0.03	31.50	20.10	21.95
Temporary erection	40.95	6.11	1.76	45.30	37.03	7.00	1.42	42.61	2.69	3.92
Water supply, drainage & sewerage system	729.78	42.12	(6.83)	778.73	345.14	24.55	0.96	368.73	410.00	384.64
MGR track and signalling system	1,408.45	166.14	(4.25)	1,578.84	685.08	52.13	4.20	733.01	845.83	723.37
Railway siding	653.01	117.66	(44.39)	815.06	208.59	35.99	-	244.58	570.48	444.42
Earth dam reservoir	339.07	-	(1.84)	340.91	128.63	16.81	(0.01)	145.45	195.46	210.44
Plant and equipment										
Owned	1,06,916.81	7,321.76	(2,279.99)	1,16,518.56	41,053.20	5,164.07	535.04	45,682.23	70,836.33	65,863.61
Leased	60.00	-	-	60.00	1.06	3.17	-	4.23	55.77	58.94
Furniture and fixtures	482.15	39.87	3.46	518.56	272.34	21.27	3.72	289.89	228.67	209.81
Vehicles including speedboats										
Owned	12.02	2.44	0.42	14.04	5.70	0.97	0.26	6.41	7.63	6.32
Leased	0.59	-	0.59	-	0.54	0.04	0.58	-	-	0.05
Office equipment	182.82	26.81	2.57	207.06	87.88	14.51	0.57	101.82	105.24	94.94
EDP, WP machines and satcom equipment	413.43	43.92	13.08	444.27	291.43	40.50	6.42	325.51	118.76	122.00
Construction equipments	191.57	27.43	0.22	218.78	100.48	11.92	0.84	111.56	107.22	91.09
Electrical installations	464.86	36.19	(21.99)	523.04	183.01	20.15	-	203.16	319.88	281.85
Communication equipments	106.21	4.52	(0.01)	110.74	57.91	5.16	0.67	62.40	48.34	48.30
Hospital equipments	36.52	3.38	(0.02)	39.92	17.29	1.45	0.11	18.63	21.29	19.23
Laboratory and workshop equipments	62.67	13.12	(1.86)	77.65	17.77	3.27	(0.63)	21.67	55.98	44.90
Assets under 5 KM scheme of the GOI	99.80	12.43	(4.64)	116.87	20.67	25.44	-	46.11	70.76	79.13
Capital expenditure on assets not owned by the Company	259.49	2.12	(16.55)	278.16	169.39	19.38	-	188.77	89.39	90.10
Assets of Government	2.81	-	-	2.81	-	-	-	-	2.81	2.81
Less: Grants from Government	2.81	-	-	2.81	-	-	-	-	2.81	2.81
Assets for ash utilisation	4.58	12.72	-	17.30	-	-	-	-	17.30	4.58
Less: Adjusted from fly ash utilisation reserve fund	4.58	12.72	-	17.30	-	-	-	-	17.30	4.58
Total #	1,31,003.85	9,889.84	(3,034.88)	1,43,928.57	47,046.08	5,848.21	545.20	52,349.09	91,579.48	83,957.77
Previous year	1,13,425.80	13,377.52	(4,200.53)	1,31,003.85	41,847.46	5,429.88	231.26	47,046.08	83,957.77	71,578.34

Net block includes ₹ 11,911.66 crore (previous year ₹ 11,204.26 crore) share of jointly controlled entities.

- a) The conveyancing of the title to **10,059 acres** of freehold land of value **₹ 2,006.16 crore** (previous year 11,666 acres of value ₹ 2,614.90 crore), buildings & structures of value **₹ 50.43 crore** (previous year ₹ 50.32 crore) and also execution of lease agreements for **13,844 acres** of land of value **₹ 1,729.49 crore** (previous year 11,071 acres, value ₹ 760.83 crore) in favour of the Company are awaiting completion of legal formalities.
- b) Leasehold land includes **2,748 acres** valuing **₹ 606.83 crore** (previous year 818 acres valuing ₹ 29.67 crore) acquired on perpetual lease and accordingly not amortised.
- c) Land does not include value of **33 acres** (previous year 33 acres) of land in possession of the Company. This will be accounted for on settlement of the price thereof by the State Government Authorities.
- d) Land includes **1,302 acres** of value **₹ 72.55 crore** (previous year 1,523 acres of value ₹ 173.82 crore) not in possession of the Company. The Company is taking appropriate steps for repossession of the same.
- e) Land includes an amount of **₹ 179.65 crore** (previous year ₹ 168.41 crore) deposited with various authorities in respect of land in possession which is subject to adjustment on final determination of price.
- f) Possession of land measuring **98 acres** (previous year 98 acres) consisting of **79 acres** of freehold land (previous year 79 acres) and **19 acres** of lease hold land (previous year 19 acres) of value **₹ 0.21 crore** (previous year ₹ 0.21 crore) was transferred to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (erstwhile UPSEB) for a consideration of **₹ 0.21 crore**. Pending approval for transfer of the said land, the area and value of this land has been included in the total land of the Company. The consideration received from erstwhile UPSEB is disclosed under Note -10 - 'Other Current Liabilities' -as other liabilities.
- g) Ministry of Power, Government of India vide its notification no. 2/38/99-BTPS (Volume VII) dated 22nd September 2006 transferred land of a power station to the Company on operating lease of 50 years. Lease rent for the year amounting to **₹ 6.24 crore** (previous year ₹ 6.24 crore) has been charged to the Statement of Profit and Loss.
- h) The Company has received an opinion from the EAC of the ICAI on accounting treatment of capital expenditure on assets not owned by the Company wherein it was opined that such expenditure are to be charged to the Statement of Profit and Loss as and when incurred. The Company has represented that such expenditure being essential for setting up of a project, the same be accounted in line with the existing accounting practice and sought a review. During the year, ICAI has issued an exposure draft of AS-10 'Property, Plant & Equipment' which would replace the existing AS-10 'Accounting for Fixed Assets'. Para 9 of the said exposure draft and explanation thereto provides for capitalisation of such expenditure along-with the project cost. The final AS-10 'Property, Plant & Equipment' is yet to be issued by the Ministry of Corporate Affairs (MCA), GOI. Pending receipt of communication from the ICAI regarding the review of opinion & notification of the Revised AS-10 by the MCA, the Company continues to account for the said expenditure as per accounting policy no. E.4.
- i) Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the generation plants of the Company in terms of Ministry of Power (MOP), Government of India scheme.
- j) From the accounting periods commencing on or after 7th December 2006, the Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items relating to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset.
- k) Refer Note 44 (a) (ii) regarding plant and equipment under finance lease.
- l) Refer Note 2(a) regarding assets for ash utilisation.
- m) Deduction/adjustments from gross block and depreciation/amortisation for the year includes:

	Gross Block		Depreciation/Amortisation	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Disposal of assets	12.02	9.33	9.75	7.34
Retirement of assets	582.82	284.52	437.86	207.79
Cost adjustments including exchange differences	(3,741.64)	(4,774.07)	(0.07)	-
Assets capitalised with retrospective effect/write back of excess capitalisation	(323.18)	(52.52)	(12.57)	(1.52)
Others	435.10	332.21	110.23 *	17.65
	<u>(3,034.88)</u>	<u>(4,200.53)</u>	<u>545.20</u>	<u>231.26</u>

* Includes ₹ 5.47 crore (before adjustment of deferred tax) which has been adjusted from general reserve (refer Note 2 h).

- n) The borrowing costs capitalised during the year ended 31st March 2015 is ₹ **3,810.43 crore** (previous year ₹ 3,158.17 crore). The Company capitalised the borrowing costs in the capital work-in-progress (CWIP). Exchange differences capitalised are disclosed in the 'Addition' column of CWIP and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustment' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of fixed assets. Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of fixed assets and CWIP through 'Addition' or 'Deductions/Adjustments' column are given below:

	₹ Crore		₹ Crore	
	For the year ended 31st March 2015		For the year ended 31st March 2014	
	Exch. difference incl in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP	Exch. difference incl in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP
Buildings				
Main plant	(16.90)	248.64	5.90	197.64
Others	(1.71)	60.66	0.92	65.20
Hydraulic works, barrages, dams, tunnels and power channel	-	375.67	-	302.47
MGR track and signalling system	-	21.94	0.03	19.18
Railway siding	(1.39)	16.88	0.03	22.93
Plant and equipment	46.27	2,556.96	1,152.13	2,244.18
Others including pending allocation	322.21	529.68	723.73	306.57
Total	348.48	3,810.43	1,882.74	3,158.17

Intangible assets

₹ Crore

	Gross Block				Amortisation				Net Block	
	As at 01.04.2014	Additions	Deductions/ Adjustments	As at 31.03.2015	Upto 01.04.2014	For the year	Deductions/ Adjustments	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014
Software	101.24	18.77	0.03	119.98	96.91	5.53	0.06	102.38	17.60	4.33
Right of Use- Land	50.36	5.95	(1.58)	57.89	8.05	2.96	(0.01)	11.02	46.87	42.31
- Others	237.67	-	(13.93)	251.60	34.72	10.21	(0.01)	44.94	206.66	202.95
Licence fee for technical collaboration	-	2.09	-	2.09	-	0.30	-	0.30	1.79	-
Total #	389.27	26.81	(15.48)	431.56	139.68	19.00	0.04	158.64	272.92	249.59
Previous year	377.35	7.95	(3.97)	389.27	123.60	15.89	(0.19)	139.68	249.59	253.75

Net block includes ₹ **10.63 crore** (previous year ₹ 8.54 crore) share of jointly controlled entities.

- a) The right of use of land & others are amortized over the period of legal right to use or life of the related plant, whichever is less.
- b) Right to use –land includes ₹ **52.01 crore** (previous year ₹ 44.49 crore) and right to use-others includes ₹ **248.08 crore** (previous year ₹ 234.15 crore) which are amortised over a period of more than ten years considering the useful life of these assets as per the related agreements / arrangements.
- c) Cost of acquisition of the right for drawl of water amounting to ₹ **248.08 crore** (previous year ₹ 234.15 crore) and right of use of CW channel amounting to ₹ **3.52 crore** (previous year ₹ 3.52 crore) are included under intangible assets – Right of use - Others.

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

	Gross Block		Amortisation	
	31.03.2015	31.03.2014	31.03.2015	31.03.2014
Cost adjustments	(15.51)	(3.28)	-	-
Assets capitalised with retrospective effect/write back of excess capitalisation	-	(0.67)	-	(0.17)
Others	0.03	(0.02)	0.04	(0.02)
	(15.48)	(3.97)	0.04	(0.19)

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

	₹ Crore	
	31.03.2015	31.03.2014
Charged to Statement of Profit and Loss	5,564.61	4,769.99
Allocated to the fuel cost	306.15	266.41
Transferred to expenditure during construction period (net) - Note 28	84.71	273.56
Transferred to development of coal mines	1.86	1.33
Adjustment with deferred income/expense from deferred foreign currency fluctuation	(90.12)	134.48
	5,867.21	5,445.77

13. Capital work-in-progress

	₹ Crore				
	As at 01.04.2014	Additions	Deductions/ Adjustments	Capitalised	As at 31.03.2015
Development of land	814.81	306.35	156.86	0.30	964.00
Roads, bridges, culverts & helipads	159.25	112.73	43.37	101.73	126.88
Piling and foundation	826.33	33.98	218.80	-	641.51
Buildings					
Main plant	2,993.77	1,353.12	111.52	440.78	3,794.59
Others	937.95	741.49	(19.19)	402.74	1,295.89
Temporary erection	33.11	35.36	6.52	5.96	55.99
Water supply, drainage and sewerage system	65.40	33.94	(16.82)	40.48	75.68
Hydraulic works, barrages, dams, tunnels and power channel	4,755.86	528.18	15.07	-	5,268.97
MGR track and signalling system	348.45	156.39	9.42	166.13	329.29
Railway siding	301.33	290.23	70.11	117.66	403.79
Earth dam reservoir	50.23	29.93	1.77	-	78.39
Plant and equipment	34,407.75	19,994.82	1,392.52	7,304.65	45,705.40
Furniture and fixtures	19.61	25.91	(1.53)	23.88	23.17
Vehicles	0.20	-	(0.01)	0.21	-
Office equipment	3.70	3.06	0.10	5.00	1.66
EDP/WP machines & satcom equipment	2.13	8.21	0.16	7.05	3.13
Construction equipments	0.53	3.66	0.46	1.70	2.03
Electrical installations	241.19	271.24	10.98	26.80	474.65
Communication equipments	2.08	1.88	0.79	0.87	2.30
Hospital equipments	0.34	0.13	-	0.34	0.13
Laboratory and workshop equipments	0.37	0.24	0.17	0.38	0.06
Assets under 5 KM scheme of the GOI	12.49	5.29	5.35	12.43	-
Capital expenditure on assets not owned by the company	58.03	33.66	10.96	2.13	78.60
Development of coal mines	636.53	449.96	-	-	1,086.49
	<u>46,671.44</u>	<u>24,419.76</u>	<u>2,017.38</u>	<u>8,661.22</u>	<u>60,412.60</u>
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	396.19	39.31	20.23	-	415.27
Difference in exchange on foreign currency loans	1,500.25	320.56	289.46	-	1,531.35
Pre-commissioning expenses (net)	138.16	283.47	366.88	-	54.75
Expenditure during construction period (net)	629.48	4,881.82 *	93.04	-	5,418.26
Less: Allocated to related works	-	4,678.54	-	-	4,678.54
	<u>49,335.52</u>	<u>25,266.38</u>	<u>2,786.99</u>	<u>8,661.22</u>	<u>63,153.69</u>
Less: Provision for unserviceable works	69.23	41.95	5.18	-	106.00
Construction stores (net of provision)	<u>4,552.86</u>	<u>(76.24)</u>	<u>-</u>	<u>-</u>	<u>4,476.62</u>
Total #	<u><u>53,819.15</u></u>	<u><u>25,148.19</u></u>	<u><u>2,781.81</u></u>	<u><u>8,661.22</u></u>	<u><u>67,524.31</u></u>
Previous year	46,553.36	21,682.40	2,967.16	11,449.45	53,819.15

Includes ₹ 3,813.72 crore (previous year ₹ 2,944.28 crore) share of jointly controlled entities.

* Brought from expenditure during construction period (net) - Note 28

- Construction stores are net of provision for shortages pending investigation amounting to ₹ 5.68 crore (previous year ₹ 1.21 crore).
- Pre-commissioning expenses for the year amount to ₹ 326.53 crore (previous year ₹ 436.68 crore) and after adjustment of pre-commissioning sales of ₹ 58.09 crore (previous year ₹ 37.65 crore) resulted in net pre-commissioning expenditure of ₹ 268.44 crore (previous year ₹ 399.03 crore).
- Additions to the development of coal mines includes expenditure during construction period (net) of ₹ 153.90 crore (previous year ₹ 260.37 crore).
- Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the generation plants of the Company in terms of Ministry of Power (MOP), Government of India scheme.

13A. Intangible Assets Under Development

	As at		Deductions/		₹ Crore
	01.04.2014	Additions	Adjustments	Capitalised	As at 31.03.2015
Software	2.54	5.19	(2.56)	10.19	0.10
License fee for technical colabration	1.34	0.75	-	2.09	-
Exploratory wells-in-progress	9.57	30.15	1.80	-	37.92
	13.45	36.09	(0.76)	12.28	38.02
Less: Provision for unserviceable works	7.64	-	-	-	7.64
Total #	5.81	36.09	(0.76)	12.28	30.38
Previous year	1.28	4.46	(0.07)	-	5.81

Includes ₹ Nil (previous year ₹ 3.88 crore) share of jointly controlled entities.

14. Non-current Investments

₹ Crore

As at			31.03.2015	31.03.2014
	Number of shares/bonds/ securities	Face value per share/bond/ security		
	Current year/ (previous year)	Current year/ (previous year) (₹)		
Long term-Trade				
Equity instruments (fully paid up-unless otherwise stated)				
Quoted				
PTC India Ltd.	12000000 (12000000)	10 (10)	12.00	12.00
			12.00	12.00
Cooperative societies				
			*	*
Bonds (fully paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of				
Andhra Pradesh	-	-	-	126.07
Assam	(1260650)	(1000)	-	5.15
Bihar	(51464)	(1000)	-	189.44
Chattisgarh	(1894400)	(1000)	-	48.32
Gujarat	(483220)	(1000)	-	83.72
Haryana	(837240)	(1000)	-	107.50
Himachal Pradesh	-	-	-	3.34
Jammu and Kashmir	(33388)	(1000)	-	36.74
Jharkhand	(367360)	(1000)	-	96.01
Kerala	(960136)	(1000)	-	100.24
Madhya Pradesh	(1002400)	(1000)	-	83.08
Maharashtra	(830840)	(1000)	-	38.14
Orissa	(381400)	(1000)	-	110.29
Punjab	(1102874)	(1000)	-	34.62
Rajasthan	(346230)	(1000)	-	29.00
Sikkim	(290000)	(1000)	-	3.42
Uttar Pradesh	(34196)	(1000)	-	398.99
Uttaranchal	(3989900)	(1000)	-	39.97
West Bengal	(399650)	(1000)	-	117.42
	(1174248)	(1000)	-	1,651.46
Non-Trade Investment (at cost) in Shares			2.12	-
Total#			14.12	1,663.46

14. Non-current Investments

	₹ Crore	
As at	31.03.2015	31.03.2014
# Share of jointly controlled entities is ₹2.12 crore (previous year Nil).		
Quoted investments		
Book value	12.00	12.00
Market value	97.08	81.36
Unquoted investments		
Book value	2.12	1,651.46

Investments have been valued considering the accounting policy no. K.

* Equity shares of ₹ 30,200/- (previous year ₹ 30,200/-) held in various employee co-operative societies.

15. Long-term loans and advances (Considered good, unless otherwise stated)

As at	31.03.2015	₹ Crore 31.03.2014
Capital Advances		
Secured	19.65	21.49
Unsecured		
Covered by Bank Guarantee	4,702.24	5,266.24
Others	3,779.29	4,380.64
Considered doubtful	2.06	2.59
Less: Allowance for bad & doubtful advances	2.06	2.59
	8,501.18	9,668.37
Security deposits (unsecured)	162.73	147.05
Loans		
Related parties		
Unsecured	-	0.01
Employees (including accrued interest)		
Secured	409.24	405.97
Unsecured	139.60	144.58
Loan to state government in settlement of dues from customers (unsecured)	47.86	143.59
Others		
Secured	35.00	40.00
Unsecured	0.60	0.59
Doubtful	-	0.22
Less: Allowance for bad & doubtful loans	-	0.22
	632.30	734.74
Advances		
Unsecured		
Contractors & Suppliers	2,286.56	623.78
Others	4.04	3.66
	2,290.60	627.44
Advance tax deposit & tax deducted at source	12,232.11	9,932.14
Less: Provision for current tax	7,281.71	7,039.14
	4,950.40	2,893.00
MAT credit recoverable	94.07	86.20
Cenvat Credit / Service tax recoverable	0.34	0.55
Total #	16,631.62	14,157.35

Includes ₹ 703.24 crore (previous year ₹ 906.21 crore) share of jointly controlled entities.

- a) Capital advances include ₹ 268.72 crore (previous year ₹ 252.22 crore), paid to a contractor pending settlement of certain claims which are under arbitration. The amount will be adjusted in the cost of related work or recovered from the party, depending upon the outcome of the arbitration proceedings.
- b) Capital advances include advances to related parties of ₹ 8.98 crore (previous year ₹ 0.02 crore).
- c) Other loans (secured) represent loan given to Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC).
- d) Advances to contractors & suppliers include payments to Railways under Customer funding model as per policy on 'Participative model for rail-connectivity and capacity augmentation projects' issued by Ministry of Railways, GOI. As per the policy, the railway projects agreed between the company and Railways will be constructed, maintained and operated by Railways and ownership of the line and its operations & maintenance will always remain with them. Railways will pay upto 7% of the amount invested through freight rebate on freight volumes every year till the funds provided by the Company are recovered with interest at a rate equal to the prevailing rate of dividend payable by Railways to General exchequer at the time of signing of the agreement, which is pending as at 31st March 2015.

15A. Other non-current assets

	₹ Crore	
As at	31.03.2015	31.03.2014
Long term trade receivables		
Unsecured, considered good	32.96	11.67
Deferred foreign currency fluctuation asset	1,231.84	1,368.32
Claims recoverable	466.28	426.00
Total #	1,731.08	1,805.99

Includes ₹ 34.31 crore (previous year ₹ 13.36 crore) share of jointly controlled entities.

- a) In line with accounting policy no. M.3 & M.4 (Note 1), deferred foreign currency fluctuation asset has been accounted and (-) ₹ 110.15 crore (previous year (-) ₹ 257.31 crore) being exchange fluctuations on account of foreign currency loans has been recognised as energy sales in Note 22.
- b) Claims recoverable represents the cost incurred upto 31st March 2015 in respect of one of the hydro power projects, the construction of which has been discontinued on the advice of the Ministry of Power (MOP), GOI. This includes ₹ 214.34 crore (previous year ₹ 176.22 crore) in respect of arbitration awards challenged by the Company before High Court. In the event the High Court grants relief to the Company, the amount would be adjusted against Short Term Provisions - Others (Note 11). Management expects that the total cost incurred, anticipated expenditure on the safety and stabilisation measures, other recurring site expenses and interest costs as well as claims of contractors/vendors for various packages for this project will be compensated in full by the GOI. Hence, no provision is considered necessary.

16. Current investments

As at			₹ Crore	
			31.03.2015	31.03.2014
	Number of bonds/ securities	Face value per bond/ security		
	Current year/ (previous year)	Current year/ (previous year) (₹)		
Trade				
Current maturities of long term investments				
Bonds (fully-paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of				
Andhra Pradesh	1260650 (1260650)	1000 (1000)	126.07	126.07
Assam	51464 (51464)	1000 (1000)	5.15	5.15
Bihar	1894400 (1894400)	1000 (1000)	189.44	189.44
Chattisgarh	483220 (483220)	1000 (1000)	48.32	48.32
Gujarat	837240 (837240)	1000 (1000)	83.73	83.73
Haryana	1075000 (1075000)	1000 (1000)	107.50	107.50
Himachal Pradesh	33388 (33388)	1000 (1000)	3.34	3.34
Jammu and Kashmir	367360 (367360)	1000 (1000)	36.74	36.74
Jharkhand	960136 (960120)	1000 (1000)	96.01	96.01
Kerala	1002400 (1002400)	1000 (1000)	100.24	100.24
Madhya Pradesh	830840 (830840)	1000 (1000)	83.08	83.08
Maharashtra	381400 (381400)	1000 (1000)	38.14	38.14
Orissa	1102874 (1102874)	1000 (1000)	110.29	110.29
Punjab	346230 (346230)	1000 (1000)	34.62	34.62
Rajasthan	290000 (145000)	1000 (1000)	29.00	14.50
Sikkim	34196 (34196)	1000 (1000)	3.42	3.42
Uttar Pradesh	3989900 (3989900)	1000 (1000)	398.99	398.99
Uttaranchal	399650 (399650)	1000 (1000)	39.96	39.96
West Bengal	1174248 (1174248)	1000 (1000)	117.42	117.42
			1,651.46	1,636.96
Investment in mutual funds (unquoted)				
UTI Liquid Cash Plan - IP - Direct - DDR*			151.36	-
IDBI Liquid Fund - Direct - DDR*			75.24	-
Reliance liquid fund-Treasury plan-Direct daily dividend option			7.57	-
Reliance liquid fund-Treasury plan-Direct daily dividend option			0.75	-
Birla sunlife cash plus - Daily dividend - Direct plan - Reinvestment			1.01	-
			235.93	-
Total#			1,887.39	1,636.96

Share of jointly controlled entities is ₹9.33 crore (previous year Nil).

Unquoted investments

Book value **1,887.39** 1,636.96

* Investments out of fly ash utilization reserve fund.

- a) Investments have been valued considering the accounting policy no.K (Note 1).
b) The above investments are unquoted and hence market value is not applicable.

17. Inventories

	₹ Crore	
As at	31.03.2015	31.03.2014
Coal	4,011.52	2,185.29
Fuel oil	361.21	371.89
Naphtha	139.81	166.82
Stores and spares	2,902.13	2,783.86
Chemicals & consumables	70.30	68.08
Loose tools	7.81	7.20
Steel Scrap	25.48	28.16
Others	541.44	450.25
	8,059.70	6,061.55
Less: Provision for shortages	5.52	2.26
Provision for obsolete/ unserviceable items/ diminution in value of surplus inventory	81.72	70.81
Total #	7,972.46	5,988.48

Includes ₹ 491.27 crore (previous year ₹ 594.41 crore) share of jointly controlled entities.

Inventories include material-in-transit

Coal	471.73	164.99
Stores and spares	40.89	47.78
Chemicals & consumables	0.38	0.83
Loose tools	0.04	0.27
Others	0.84	4.35
	513.88	218.22

- a) Inventory items, other than steel scrap have been valued considering the accounting policy no. L.1. Steel scrap has been valued at estimated realisable value.
- b) Inventories-Others include steel, cement, ash bricks etc.

18. Trade Receivables

	₹ Crore	
As at	31.03.2015	31.03.2014
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	463.32	455.33
Considered doubtful	95.03	0.03
	558.35	455.36
Others		
Unsecured, considered good	8,786.60	6,270.33
Considered doubtful	0.77	-
	8,787.37	6,270.33
Less: Allowance for bad and doubtful receivables	95.80	0.03
Total #	9,249.92	6,725.66

Includes ₹ 1,014.78 crore (previous year ₹ 1,177.30 crore) share of jointly controlled entities.

19. Cash and bank balances

	₹ Crore	
As at	31.03.2015	31.03.2014
Cash & cash equivalents		
Balances with banks		
Current accounts	289.22	164.63
Cash credit accounts	7.01	0.66
Deposits with original maturity of upto three months	272.38	667.97
Cheques & drafts on hand	59.68	66.52
Balance with Reserve Bank of India	30.80	30.79
Others (cash/stamps on hand)	0.13	0.08
	<u>659.22</u>	<u>930.65</u>
Other bank balances		
Deposits with original maturity of more than three months ^(a)	13,249.95	16,104.91
Earmarked balances with banks ^(b)	342.44	15.11
Total #	<u><u>14,251.61</u></u>	<u><u>17,050.67</u></u>

Includes ₹ 367.94 crore (previous year ₹ 419.57 crore) share of jointly controlled entities.

a) Includes deposits with original maturity of more than twelve months from the date of deposit amounting to ₹ 2,750.23 crore (previous year ₹ 6.07 crore).

b) Earmarked balances with banks consist of:

Deposits with original maturity of more than three months and maturing before 31 st March 2016 towards redemption of bonds due for repayment within one year.	100.00	-
Deposits with original maturity of more than three months and maturing before 31 st March 2016 - fly ash utilisation reserve fund*	193.77	-
Deposits with original maturity of more than three months and maturing before 31 st March 2016 - towards public deposit repayment reserve	0.08	-
Unpaid dividend account balance	14.97	14.21
Deposits with original maturity upto three months - as per court orders	12.21	-
Deposits with original maturity more than three months and maturing before 31 st March 2016- as per court orders	12.43	-
Unpaid interest/refund account balance - tax free bonds	0.30	0.52
Towards unpaid interest on public deposit	0.03	0.03
Margin money kept with RBI earmarked for fixed deposits from public	-	0.02
Security with government authorities	0.02	0.02
Margin money with banks	8.63	0.31
	<u>342.44</u>	<u>15.11</u>

* Refer Note 2 regarding fly ash utilisation reserve fund.

20. Short-term loans and advances (Considered good, unless otherwise stated)

As at	31.03.2015	31.03.2014
₹ Crore		
Loans		
Related parties		
Unsecured	0.01	0.09
Employees(including accrued interest)		
Secured	77.29	77.93
Unsecured	95.60	95.49
Considered doubtful	0.02	-
Loan to state government in settlement of dues from customers-		
Unsecured	95.73	95.73
Others		
Secured	5.00	10.00
Unsecured	0.01	0.06
Less: Allowance for bad & doubtful loans	0.02	-
	273.64	279.30
Advances		
Related parties		
Unsecured	3.78	1.83
Employees		
Unsecured	12.17	10.86
Considered doubtful	0.03	0.03
Contractors & suppliers		
Unsecured	1,216.21	1,908.91
Considered doubtful	1.61	2.33
Others		
Unsecured	191.29	132.70
Considered doubtful	1.01	1.03
Less: Allowance for bad & doubtful advances	2.65	3.39
	1,423.45	2,054.30
Security deposits (unsecured)	759.61	896.55
Total #	2,456.70	3,230.15

Includes ₹ 237.13 crore (previous year ₹ 200.87 crore) share of jointly controlled entities.

- a) Other loans (secured) represent loan given to Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC).
- b) Other advances include prepaid expenses amounting to ₹ 69.55 crore (previous year ₹ 64.92 crore).
- c) Security deposits (unsecured) include ₹ 224.15 crore (previous year ₹ 211.92 crore) towards sales tax deposited with sales/commercial tax authorities, ₹ 306.30 crore (previous year ₹ 308.73 crore) deposited with Courts and ₹ 160.97 crore (₹ 143.80 crore) deposited with LIC for making annuity payments to the land oustees.

21. Other current assets

	₹ Crore	
As at	31.03.2015	31.03.2014
Interest accrued on		
Bonds	105.28	174.24
Term deposits	424.31	621.02
Others	38.71	48.46
	568.30	843.72
Claims recoverable		
Unsecured, considered good	2,130.34	1,743.50
Considered doubtful	13.40	13.77
Less: Allowance for doubtful claims	13.40	13.77
	2,130.34	1,743.50
Unbilled revenue	3,243.52	7,148.37
Assets held for disposal	2.19	2.68
Hedging cost recoverable	4.59	-
Others	24.60	15.20
Total #	5,973.54	9,753.47

Includes ₹ 420.51 crore (previous year ₹ 247.59 crore) share of jointly controlled entities.

- a) Others include amount recoverable from contractors and other parties towards hire charges, rent/electricity, etc.
- b) Unbilled revenue is net of credits to be passed to beneficiaries at the time of billing and includes ₹ 7,072.92 crore (previous year ₹ 7,550.01 crore) billed to the beneficiaries after 31st March for energy sales, sale of goods and services.

22. Revenue from operations (gross)

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Energy sales (including electricity duty)	79,818.95	78,618.65
Consultancy, project management and supervision fee	467.10	410.86
Sale of goods (including excise duty)	354.16	118.95
Regasification charges -LNG	48.74	27.73
	80,688.95	79,176.19
Sale of fly ash/ash products	115.11	119.66
Less: Transferred to fly ash utilisation reserve fund [refer note 3 a]	115.11	119.66
	-	-
Energy internally consumed	90.92	87.08
Other operating revenues		
Interest from beneficiaries	332.82	131.48
Recognized from deferred foreign currency fluctuation liability	3.12	1.56
Rebate on energy purchase	38.38	34.18
Others	25.69	16.77
Provisions written back		
Tariff adjustments	180.16	162.56
Others	6.98	38.30
	187.14	200.86
Total[#]	81,367.02	79,648.12

[#] Includes ₹ 4,796.14 crore (previous year ₹ 4,556.46 crore) share of jointly controlled entities.

a) The CERC notified the Tariff Regulations, 2014 in February 2014 (Regulations, 2014). Pending issue of provisional/final tariff orders w.e.f. 1st April 2014 for all the stations, beneficiaries are billed in accordance with the tariff approved and applicable as on 31st March 2014 as provided in the Regulations 2014. The amount provisionally billed for the year ended 31st March 2015 is ₹ 76,952.89 crore (previous year ₹ 68,704.03 crore).

b) The Company has filed a petition before the Hon'ble High Court of Delhi contesting certain provisions of the Regulations, 2014. Pending issue of provisional/final tariff orders under Regulations, 2014 by the CERC and disposal of the petition, sales have been provisionally recognised at ₹ 73,133.81 crore for the year ended 31st March 2015 (previous year ₹ 69,596.12 crore).

Pending disposal of the aforesaid petition, energy charges included in sales, in respect of the coal based stations, for the period upto July 2014 have been recognized based on the GCV 'as received at boiler end' and thereafter the GCV 'as received at the secondary crusher'.

c) Sales include ₹ 679.62 crore for the year ended 31st March 2015 (previous year ₹ 2,086.82 crore) pertaining to previous years recognized based on the orders issued by the CERC/Appellate Tribunal for Electricity (APTEL).

22. Revenue from operations (gross)

- d) Sales include (-) ₹ **1,399.42 crore** for the year ended 31st March 2015 (previous year (-) ₹ 269.99 crore) on account of income-tax payable to the beneficiaries as per Regulations, 2004. Sales also include ₹ **113.96 crore** for the year ended 31st March 2015 (previous year ₹ 77.02 crore) on account of deferred tax materialized which is recoverable from beneficiaries as per Regulations, 2014.
- e) Energy sales include sale of energy by M/s NVVN Ltd. amounting to ₹ **2,116.09 crore** (previous year ₹ 2,223.77 crore)
- f) Electricity duty on energy sales amounting to ₹ **740.41 crore** (previous year ₹ 691.04 crore) has been reduced from sales in the Statement of Profit and Loss.
- g) Revenue from operations include ₹ **90.92 crore** (previous year ₹ 87.08 crore) towards energy internally consumed, valued at variable cost of generation and the corresponding amount is included in power charges in Note 26.
- h) CERC Regulations provides that where after the truing-up, the tariff recovered is less/more than the tariff approved by the Commission, the generating Company shall recover/pay from/to the beneficiaries the under/over recovered amount along-with simple interest. Accordingly, the interest recoverable from the beneficiaries amounting to ₹ **332.82 crore** (previous year ₹ 131.48 crore) has been accounted as 'Interest from beneficiaries'. Further, the amount payable to the beneficiaries has been accounted as 'Interest to beneficiaries' in Note 26.
- i) Provisions written back - Others include provision for doubtful loans, advances, claims, debts and provision for shortage/obsolescence in stores, shortage in fixed assets, and unservicable CWIP.

23. Other income

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Interest from		
Long-term investments - Government securities (8.5% tax free bonds)	245.04	382.95
Others		
Loan to state government in settlement of dues from customers (8.5% tax free)	18.31	26.44
Loan to employees	31.78	31.20
Contractors	61.95	55.70
Deposits with banks / Reserve Bank of India	1,317.36	1,689.38
Deposits with banks out of fly ash utilisation reserve fund	21.76	-
Less : Transferred to fly ash utilisation reserve fund [refer Note 2]	21.76	-
	-	-
Income tax refunds	48.59	155.20
Less : Refundable to beneficiaries	36.40	80.53
	12.19	74.67
Others	21.93	9.12
Dividend from		
Long-term investments in		
Joint ventures	-	71.98
Equity instruments	2.40	1.92
Current investments in		
Mutual funds	157.82	65.16
Current investments in mutual funds out of fly ash utilisation reserve fund	1.60	-
Less : Transferred to fly ash utilisation reserve fund [refer Note 2]	1.60	-
	-	-
Other non-operating income		
Surcharge received from beneficiaries	54.20	92.61
Hire charges for equipment	4.04	3.14
Net gain in foreign currency transactions & translations	136.64	51.65
Sale of scrap	82.98	85.60
Liquidated damages recovered	10.91	12.89
Profit on redemption of current investments	-	28.53
Net gain on sale of current investments	0.65	3.15
Miscellaneous income	140.17	180.36
Profit on disposal of fixed assets	4.54	12.86
	2,302.91	2,879.31
Less: Transferred to expenditure during construction period (net)-Note 28	97.60	60.38
Transferred to development of coal mines	5.62	7.16
Transferred to deferred foreign currency fluctuation asset/liability	120.78	51.65
Total[#]	2,078.91	2,760.12

[#] Includes ₹ 58.39 crore (previous year ₹ 48.17 crore) share of jointly controlled entities.

- Interest from others includes interest on advance to APIIC for drawal of water and deposits with LIC towards annuity to the land losers.
- Miscellaneous income includes income from township recoveries and receipts towards insurance claims.
- The presentation of dividend from investments in Joint Ventures has been reviewed during the year considering the provisions of AS-27 and the same for the year amounting to ₹ 90.61 crore has been eliminated.

24. Employee benefits expense

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Salaries and wages	3,758.44	3,556.61
Contribution to provident and other funds	526.04	1,013.77
Staff welfare expenses	597.76	466.36
	4,882.24	5,036.74
Less: Allocated to fuel cost	215.78	245.73
Transferred to fly ash utilisation reserve fund [refer Note 2]	20.33	21.21
Transferred to development of coal mines	38.53	41.10
Reimbursements for employees on deputation	25.76	17.32
Transferred to expenditure during construction period (net)- Note 28	692.15	672.75
Total #	3,889.69	4,038.63

Includes ₹ 169.31 crore (previous year ₹ 170.63 crore) share of jointly controlled entities.

- a) Disclosures as per AS 15 in respect of provision made towards various employee benefits are made in Note 40.
- b) Salaries and wages include special allowance paid by the Company to eligible employees serving in difficult and far flung areas w.e.f. 26th November 2008. As per the Office Memorandum dated 26th November 2008 of DPE relating to revision of pay scales w.e.f 1st January 2007, special allowance can be paid to such employees upto 10% of basic pay as approved by concerned administrative ministry. In line with the office memorandum dated 22nd June 2010 of DPE, Board of Directors has approved the Special Allowance (Difficult and Far Flung Areas) to eligible employees. The approval of MOP for the same is awaited.

25. Finance costs

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Interest on		
Bonds	1,182.58	961.67
Foreign currency term loans	244.61	253.96
Rupee term loans	5,234.59	4,427.22
Public deposits	0.03	0.05
Foreign currency bonds/notes	542.72	521.77
Cash credit	48.16	38.08
Others	15.75	26.86
	7,268.44	6,229.61
Other borrowing costs		
Guarantee fee	31.55	33.97
Management/arrangers fee	40.48	16.41
Foreign currency bonds/notes expenses	17.28	1.07
Others	23.05	103.10
	112.36	154.55
	7,380.80	6,384.16
Less: Transferred to expenditure during construction period (net)-Note 28	3,722.60	3,103.05
Transferred to development of coal mines	87.83	78.04
Total[#]	3,570.37	3,203.07

[#] Includes ₹ 816.77 crore (previous year ₹ 794.06 crore) share of jointly controlled entities.

Other borrowing costs - Others include bond issue & service expenses, commitment charges, exposure premium, upfront fee and insurance premium & legal expenses on foreign currency loans.

26. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Power charges	250.05	340.33
Less: Recovered from contractors & employees	<u>25.12</u>	<u>20.47</u>
	224.93	319.86
Water charges	511.13	471.59
Stores consumed	55.03	52.02
Rent	47.09	40.35
Less: Recoveries	<u>9.58</u>	<u>8.07</u>
	37.51	32.28
Load dispatch centre charges	38.04	146.11
Repairs & maintenance		
Buildings	201.63	197.57
Plant & machinery	2,199.97	2,024.64
Others	150.05	133.31
Insurance	138.79	130.75
Interest to beneficiaries	98.61	59.80
Rates and taxes	55.61	42.44
Water cess & environment protection cess	36.15	38.58
Training & recruitment expenses	27.32	29.67
Less: Receipts	<u>1.44</u>	<u>3.30</u>
	25.88	26.37
Communication expenses	47.92	47.90
Travelling expenses	222.79	214.27
Tender expenses	41.55	33.85
Less: Receipt from sale of tenders	<u>3.30</u>	<u>3.32</u>
	38.25	30.53
Payment to auditors	4.37	3.64
Advertisement and publicity	20.88	15.37
Security expenses	472.18	406.69
Entertainment expenses	24.19	15.64
Expenses for guest house	26.13	24.14
Less: Recoveries	<u>3.04</u>	<u>2.88</u>
	23.09	21.26
Education expenses	36.39	38.09
Community development and welfare expenses	113.83	75.91
Less: Grants-in-aid	<u>-</u>	<u>0.93</u>
	113.83	74.98
Donation	-	0.22
Ash utilisation & marketing expenses	12.69	11.92
Directors sitting fee	0.49	0.47
Professional charges and consultancy fees	46.76	159.25

26. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Legal expenses	40.53	32.53
EDP hire and other charges	19.38	18.48
Printing and stationery	13.60	14.94
Oil & gas exploration expenses	29.63	3.41
Hiring of Vehicles	84.04	75.47
Rebate to customers & reimbursement of LC charges on sales realisation	655.20	621.12
Net loss in foreign currency transactions & translations	6.39	22.57
Cost of hedging	8.95	1.89
Horticulture expenses	31.29	26.46
Hire charges of helicopter/aircraft	12.63	12.74
Hire charges of construction equipments	9.44	10.86
Transport vehicle running expenses	7.89	8.78
Miscellaneous expenses	91.89	80.74
Loss on disposal/write-off of fixed assets	147.22	75.51
	5,995.24	5,721.05
Less: Allocated to fuel cost	352.53	312.03
Transferred to fly ash utilisation fund	26.37	23.67
Transferred to development of coal mines	19.05	129.63
Transferred to deferred foreign currency fluctuation asset/liability	6.22	6.84
Hedging cost recoverable from beneficiaries	4.59	-
Transferred to expenditure during construction period(net) - Note 28	459.45	505.67
	5,127.03	4,743.21
Provisions for		
Tariff adjustments	150.22	122.96
Obsolescence in stores	14.19	10.36
Unserviceable capital works	41.95	6.63
Unfinished minimum work programme for oil and gas exploration	5.00	7.36
Others	20.48	13.23
	231.84	160.54
Total #	5,358.87	4,903.75

Includes ₹ 326.78 crore (previous year ₹ 311.00 crore) share of jointly controlled entities.

a) Spares consumption included in repairs and maintenance	1,140.10	1,112.67
b) Details in respect of payment to auditors:		
As auditor		
Audit fee	1.39	1.27
Tax audit fee	0.46	0.40
Limited review	0.70	0.62
In other capacity		
Other services (certification fee)	0.59	0.58
Reimbursement of expenses	0.82	0.44
Reimbursement of service tax	0.41	0.33
Total	4.37	3.64

- c) CERC Regulations provides that where after the truing-up, the tariff recovered is more than the tariff approved by the Commission, the generating Company shall pay to the beneficiaries the over recovered amount along-with simple interest. Accordingly, the interest payable to the beneficiaries by the Company amounting to ₹ 98.11 crore (previous year ₹ 59.37 crore) has been accounted and disclosed as 'Interest to beneficiaries'.
- d) Miscellaneous expenses include expenditure on books & periodicals, operating expenses of DG sets, brokerage & commission, bank charges, furnishing expenses etc.
- e) Provisions - Others include provision for doubtful loans, advances, claims, debts and provision for shortage/ obsolescence in stores, shortage in fixed assets and arbitration cases.

27. Prior period items (Net)

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Revenue		
Sales	208.32	0.41
Others	(9.56)	0.96
	<u>198.76</u>	<u>1.37</u>
Expenditure		
Employee benefits expense	0.37	(0.94)
Finance costs		
Interest	(132.29)	-
Depreciation and amortisation	15.62	3.73
Generation, administration and other expenses		
Repairs and maintenance	4.22	1.35
Others	12.58	7.90
	<u>(99.50)</u>	<u>12.04</u>
Net expenditure/(revenue)	(298.26)	10.67
Less: Transferred to expenditure during construction period (net)-Note 28	20.51	(1.21)
Transferred to deferred foreign currency fluctuation asset/liability	(0.55)	-
Transferred to development of coal mines	-	0.03
Total #	(318.22)	11.85

Includes ₹ 4.68 crore (previous year (-) ₹ 0.99 crore) share of jointly controlled entities.

- a) In line with the accounting policy on advance against depreciation, excess of depreciation charged in the books over the depreciation recovered in tariff, amounting to ₹ 208.32 crore upto 31st March 2014 has been recognised as prior period sales.
- b) During the year, the EAC of the ICAI has opined, on a reference by the Company, that interest paid/payable on land compensation till final award of the Court should be considered as a component of purchase/acquisition price of land since such interest is the result of the process of acquisition of land as per the Act. Any interest beyond the final award of the court should be treated as revenue expenditure and charged to the Statement of Profit and Loss. Accordingly, interest on land compensation amounting to ₹ 132.86 crore charged to Statement of Profit & Loss in previous years has been reversed and treated as cost of land by credit to prior period interest.

28. Expenditure during construction period (net)

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
A. Employee benefits expense		
Salaries and wages	561.19	509.64
Contribution to provident and other funds	79.67	118.89
Staff welfare expenses	51.29	44.22
Total (A)	692.15	672.75
B. Finance costs		
Interest on		
Bonds	623.58	426.37
Foreign currency term loans	102.14	107.68
Rupee term loans	2,705.23	2,146.12
Foreign currency bonds/notes	221.09	284.19
Others	-	22.92
Other borrowing costs		
Foreign currency bonds/notes expenses	16.41	1.07
Management/arrangers/upfront fee	47.51	16.41
Others	6.64	98.29
Total (B)	3,722.60	3,103.05
C. Depreciation and amortisation	84.71	273.56
D. Generation, administration & other expenses		
Power charges	147.06	247.61
Less: Recovered from contractors & employees	3.04	2.22
	144.02	245.39
Water charges	4.50	1.76
Rent	8.15	7.58
Repairs & maintenance		
Buildings	10.72	7.86
Plant and machinery	1.85	3.68
Others	42.23	30.76
	54.80	42.30
Insurance	1.89	1.67
Rates and taxes	8.98	2.94
Communication expenses	6.76	6.85
Travelling expenses	48.71	42.77
Tender expenses	11.50	7.76
Payment to auditors	0.07	0.06
Advertisement and publicity	1.56	2.70
Security expenses	72.50	58.07

28. Expenditure during construction period (net)

	₹ Crore	
For the year ended	31.03.2015	31.03.2014
Entertainment expenses	5.55	2.95
Expenses for guest house	5.19	5.24
Professional charges and consultancy fee	13.52	9.35
Legal expenses	7.07	6.06
EDP hire and other charges	2.09	1.54
Printing and stationery	2.18	1.84
Miscellaneous expenses	60.41	58.84
Total (D)	459.45	505.67
E. Less: Other income		
Interest from contractors	47.20	41.25
Interest others	16.34	3.79
Hire charges for equipment	1.82	2.99
Sale of scrap	1.09	0.33
Miscellaneous income	31.15	12.02
Total (E)	97.60	60.38
F. Prior period items (net)	20.51	(1.21)
Grand total (A+B+C+D-E+F) #	4,881.82	* 4,493.44

* Carried to capital work-in-progress - (Note 13)

Includes ₹ 366.44 crore (previous year ₹ 537.14 crore) share of jointly controlled entities.

29 Previous year figures have been regrouped /rearranged wherever considered necessary.

30 Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as other-wise stated. Certain amounts, which do not appear due to rounding off, are disclosed separately.

31 BASIS OF CONSOLIDATION

A. The consolidated financial statements relate to NTPC Ltd. (the Company), its Subsidiaries and interest in Joint Ventures, together referred to as 'Group'.

a) Basis of Accounting:

i) The financial statements of the Subsidiary Companies and Joint Ventures in the consolidation are drawn up to the same reporting date as of the Company for the purpose of consolidation.

ii) The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21 - 'Consolidated Financial Statements' and Accounting Standard (AS) 27 - 'Financial Reporting of Interest in Joint Ventures' as specified under section 133 of the Companies Act,2013 read with Rule 7 of the Companies (Accounts) Rules,2014 and generally accepted accounting principles.

b) Principles of consolidation:

The consolidated financial statements have been prepared as per the following principles:

i) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together of the like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions, unrealised profits or losses. Minority interest has been separately disclosed.

ii) The consolidated financial statements include the interest of the Company in joint ventures, which has been accounted for using the proportionate consolidation method of accounting and reporting whereby the Company's share of each asset, liability, income and expense of a jointly controlled entity is considered as a separate line item.

iii) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except as otherwise stated in the significant accounting policies.

iv)The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries and joint ventures is identified in the financial statements as goodwill or capital reserve, as the case may be.

v) Minority interest in the net assets of consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders.

B. The Subsidiaries and Joint Venture Companies considered in the financial statements are as follows:

Name of the Company	Proportion (%) of Shareholding as on	
	31.03.2015	31.03.2014
Subsidiary Companies:		
1.NTPC Electric Supply Company Ltd. (including its 50% interest in KINESCO Power & Utilities Private Ltd.* a joint venture with KINFRA, a statutory body of Government of Kerala)	100.00	100.00
2. NTPC Vidyut Vyapar Nigam Ltd.	100.00	100.00
3. Kanti Bijlee Utpadan Nigam Ltd.	65.00	65.00
4. Bhartiya Rail Bijlee Company Ltd.	74.00	74.00

Joint Venture Companies:	Proportion (%) of Shareholding as on	
	31.03.2015	31.03.2014
A. Incorporated in India		
1. Utility Powertech Ltd.	50.00	50.00
2. NTPC - Alstom Power Services Private Ltd.	50.00	50.00
3. NTPC-SAIL Power Company Private Ltd.	50.00	50.00
4. NTPC-Tamilnadu Energy Company Ltd.	50.00	50.00
5. Ratnagiri Gas & Power Private Ltd.*	28.91	32.86
6. Aravali Power Company Private Ltd.	50.00	50.00
7. NTPC-SCCL Global Ventures Private Ltd.*(refer note below) ^{\$}	50.00	50.00
8. Meja Urja Nigam Private Ltd.	50.00	50.00
9. NTPC - BHEL Power Projects Private Ltd. *	50.00	50.00
10. BF - NTPC Energy Systems Ltd. (refer note below) ^{\$\$}	49.00	49.00
11. Nabinagar Power Generating Company Private Ltd.	50.00	50.00
12. National Power Exchange Ltd. *(refer note below) ^{\$\$\$}	16.67	16.67
13. International Coal Ventures Private. Ltd. *(refer note below) ^{\$\$\$\$}	0.27	14.28
14. National High Power Test Laboratory Private Ltd.	21.63	20.00
15. Transformers & Electricals Kerala Ltd. *	44.60	44.60
16. Energy Efficiency Services Ltd. *	25.00	25.00
17. CIL NTPC Urja Private Ltd. *	50.00	50.00
18. Anushakti Vidyut Nigam Ltd.	49.00	49.00
19. Pan-Asian Renewables Private Ltd.*(refer note below) ^{\$\$\$\$\$}	50.00	50.00
B. Incorporated outside India		
1. Trincomalee Power Company Ltd.*(incorporated in Srilanka)	50.00	50.00
2. Bangladesh -India Friendship Power Company Private Ltd.*(incorporated in Bangladesh)	50.00	50.00

* The financial statements are un-audited and certified by the management of respective companies and have been considered for Consolidated Financial Statements of the Group. The figures appearing in their respective financial statements may change upon completion of their audit.

§ The Board of Directors of NTPC Limited in its meeting held on 25th March 2015 has accorded in principle approval for withdrawal from NTPC SCCL Global Ventures Pvt. Ltd.

§§ The Board of Directors of NTPC Limited in its meeting held on 19th June 2014 has accorded in principle approval for withdrawal from BF-NTPC Energy Systems Ltd.

§§§ The Board of Directors of NTPC Limited in its meeting held on 7th November 2012 has accorded in principle approval for withdrawal from National Power Exchange Ltd. (NPEX). In the meeting of Group of Promoters (GOP) held on 21st March 2014, GOP recommended for voluntary winding up of NPEX and the same has been adopted by the Board of NPEX in its meeting held on 21st March 2014. Winding up of the Company is underway.

§§§§ The Board of Directors of NTPC Limited in its meeting held on 27th January 2012 has accorded in principle approval for withdrawal from International Coal Ventures Private Limited. Approval of GOI for the same is awaited, subsequent to which, the process of withdrawal shall commence.

§§§§§ The Board of Directors of NTPC Limited in its meeting held on 31st October 2014 approved the proposal for voluntary winding up of Pan-Asian Renewables Private Limited. Accordingly a liquidator has been appointed for dissolution of the Company. The liquidation process is underway.

- C. i) The Company along-with some public sector undertakings has entered into Production Sharing Contracts (PSCs) with GOI for three oil exploration blocks namely KG-OSN-2009/1, KG-OSN-2009/4 and AN-DWN-2009/13 under VIII round of New Exploration Licensing Policy (NELP VIII) with 10% participating interest (PI) in each of the blocks.

In the case of AN-DWN-2009/13, Gujarat State Petroleum Corporation Ltd. (GSPC) submitted notice for withdrawal from the block subsequent to completion of Minimum Work Program (MWP) and M/s Oil & Natural Gas Corporation Ltd. (ONGC) decided to acquire 10% PI of GSPC. The Company alongwith consortium partners has decided to relinquish the block AN-DWN-2009/13 and ONGC (the operator) has submitted an application to Directorate General of Hydrocarbons (DGH) in this regard.

Based on the un-audited statement of the accounts for the above blocks forwarded by M/s ONGC, the operator, the Company's share in respect of assets and liabilities as at 31st March 2015 and expenditure for the year are given below:

₹ Crore		
Item	2014-15 (Un-audited)	2013-14 (Un-audited)
Expenses	29.67	2.94
Assets	0.62	1.89
Liabilities	2.41	2.96
Capital commitments (Unfinished MWP)	92.54	65.76

The exploration activities in block KG-OSN-2009/4 were suspended w.e.f. 11.01.2012 due to non-clearance by the Ministry of Defence, GOI. Subsequently, DGH vide letter dated 29th April 2013 has informed ONGC that the block is cleared conditionally wherein block area is segregated between No Go zone, High-risk zone and Permitted zone. As the permitted area is only 38% of the total block area the consortium has submitted proposal to DGH for downward revision of MWP of initial exploration period.

- ii) Exploration activities in the block AA-ONN-2003/2 were abandoned in January 2011 due to unforeseen geological conditions & withdrawal of the operator. Attempts to reconstitute the consortium to accomplish the residual exploratory activities did not yield result. In the meanwhile, Ministry of Petroleum & Natural Gas demanded in January 2011 the cost of unfinished minimum work programme from the consortium with NTPC's share being USD 7.516 million. During the year, provision in this respect has been updated to **₹ 58.64 crore** from ₹ 53.64 crore along with interest in the previous year. The Company has sought waiver of the claim citing force majeure conditions at site leading to discontinuation of exploratory activities.

The Company has accounted for expenditure of (-) ₹ 0.77 crore for the year 2014-15 (previous year ₹ 0.01 crore) towards the establishment expenses of M/s Geopetrol International, the operator to complete the winding up activities of the Block. The Company's share in the assets and liabilities as at 31st March 2015 and expenditure for the year is as under:

Item	₹ Crore	
	2014-15 (Un-audited)	2013-14 (Un-audited)
Expenses	(0.77)	0.01
Assets	9.19	14.47
Liabilities	1.82	2.32
Contingent liabilities	57.43	50.71

- D. The company is of the view that the provisions of Accounting Standard (AS) 18 'Related Party Disclosures' and AS 27- 'Financial Reporting of Interests in Joint Ventures' are not applicable to the investment made in PTC India Ltd. and the same has been accounted for as per the provisions of AS-13-'Accounting for Investments' in the consolidated financial statements.

- 32 a) Some of the balances of trade/other payables and loans and advances 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 fixed assets 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.
- 33 In accordance with the principles approved by the Board of Directors of the Company, the dispute with coal suppliers on account of GCV has been settled. Accordingly, against the total disputed billed amount of ₹ 2,578.74 crore (previous year ₹ 4,102.87 crore) as at 31st March 2014, during the year the Company has paid ₹ 1,773.51 crore and provided ₹ 25.48 crore and remaining amount of ₹ 779.75 crore is settled. Sales corresponding to energy charges recoverable for the amounts paid/provided as above have been recognized on settlement.
- 34 The levy of transit fee/entry tax on supplies of fuel to some of the power stations has been paid under protest as the matters are subjudice at various courts. In case the Company gets refund/demand from fuel suppliers/tax authorities on settlement of these cases, the same will be passed on to respective beneficiaries.
- 35 The environmental clearance (“clearance”) granted by the Ministry of Environment and Forest, Government of India (MoEF) for one of the Company's project was challenged before the National Green Tribunal (NGT). The NGT disposed the appeal, inter alia, directing that the order of clearance be remanded to the MoEF to pass an order granting or declining clearance to the project proponent afresh in accordance with the law and the judgment of the NGT and for referring the matter to the Expert Appraisal Committee (“Committee”) for its re-scrutiny, which shall complete the process within six months from the date of NGT order. NGT also directed that the environmental clearance shall be kept in abeyance and the Company shall maintain status quo in relation to the project during the period of review by the Committee or till fresh order is passed by the MoEF, whichever is earlier. The Company filed an appeal challenging the NGT order before the Hon’ble Supreme Court of India which stayed the order of the NGT and the matter is sub-judice. Aggregate cost incurred on the project upto 31st March 2015 is ₹ 8,732.44 crore (previous year ₹ 4,455.73 crore). Management is confident that the approval for proceeding with the project shall be granted, hence no provision is considered necessary.
- 36 The Company is executing a hydro power project in the state of Uttarakhand, where all the clearances were accorded. A case was filed in Hon’ble Supreme Court of India after the natural disaster in Uttarakhand in June 2013 to review whether the various existing and ongoing hydro projects have contributed to environmental degradation. Hon’ble Supreme Court of India on 7th May 2014, ordered that no further construction shall be undertaken in the projects under consideration until further orders, which included the hydro project of the Company. In the proceedings, Hon’ble Supreme Court is examining to allow few projects which have all clearances which includes the project of the Company where the work has been stopped. Aggregate cost incurred on the project upto 31st March 2015 is ₹ 154.57 crore (previous year ₹ 145.46 crore). Management is confident that the approval for proceeding with the project shall be granted, hence no provision is considered necessary.
- 37 **Disclosure as per Accounting Standard - 1 on 'Disclosure of Accounting Policies'**
During the year, following changes in accounting policies have been made:
- a) Policy A 'Basis of preparation' has been modified considering the provisions of the Companies Act, 2013.
- b) The Company has revised the accounting policy nos. N.1.1, N.1.2 & N.1.3 regarding depreciation in alignment with Schedule-II to the Companies Act, 2013 which has become applicable from 1st April 2014. Consequently, profit for the year ended 31st March 2015 is lower by ₹ 14.97 crore and fixed assets as at 31st March 2015 are lower by ₹ 20.44 crore. Further, an amount of ₹ 3.58 crore (net of deferred tax of ₹ 1.89 crore) has been recognized in the opening balance of the retained earnings where the remaining useful life of such assets is Nil as at 1st April 2014 in line with the provisions of Schedule-II to the Companies Act, 2013.
- c) Policy N.1.11 regarding depreciation on leasehold land and buildings has been modified to cover all the tariff regulations of CERC viz. for thermal, hydro and renewable energy sources.
- d) Policy S 'Segment reporting' has been added for improved disclosures.
- e) Policies M.1.2 to M.1.7 have been added and Policies N.1.1 & N.1.11 have been modified to give more clarity and for improved disclosures.
- There is no impact on the accounts due to the changes at sl.no. (a) (c), (d) & (e) above.
- 38 **Disclosure as per Accounting Standard - 11 on 'Effects of Changes in Foreign Exchange Rates'**
The effect of foreign exchange fluctuation during the year is as under:
- i) The amount of exchange differences (net) credited to the Statement of Profit & Loss is ₹ 15.56 crore (previous year debit of ₹ 15.73 crore).
- ii) The amount of exchange differences (net) debited to the carrying amount of Fixed Assets is ₹ 348.48 crore (previous year debit of ₹ 1,882.74 crore).
- 39 **Disclosure as per Accounting Standard - 12 on 'Accounting for Government Grants'**
Revenue grants recognised during the year is ₹ Nil crore (previous year ₹ 0.93 crore).

40 Disclosure as per Accounting Standard - 15 on 'Employee Benefits'

General description of various employee benefit schemes are as under:

1. Defined Contribution Plans

A. Provident Fund

Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution of ₹ 238.96 crore (previous year ₹ 238.30 crore) to the funds for the year is recognised as expense and is charged to the Statement of Profit and Loss. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary. The details of fair value of plan assets and obligations are as under:

Particulars	₹ Crore	
	31.03.2015	31.03.2014
Obligations at the end of the year	6,143.59	5,463.94
Fair value of plan assets at the end of the year	6,197.85	5,515.53

B. Pension

The defined contribution pension scheme of the Company for its employees which is effective from 1st January 2007, is administered through a separate trust. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of basic pay and dearness allowance less employer's contribution towards provident fund, gratuity, PRMF or any other retirement benefits. The contribution of ₹ 225.39 crore (previous year ₹ 641.03 crore including ₹ 346.56 crore for the periods from 1st January 2007 to 31st March 2013) to the funds for the year is recognized as an expense and charged to the Statement of Profit & Loss.

2. Defined Benefit Plans

A. Gratuity & Pension

(a) The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.10 crore on superannuation, resignation, termination, disablement or on death.

(b) The Company has pension schemes at two of its stations in respect of employees taken over from erstwhile state government power utilities.

The existing schemes stated at (a) and one of the power stations at (b) above are funded by the Company and are managed by separate trusts. The liability for gratuity and the pension schemes as above is recognised on the basis of actuarial valuation. The Company's best estimate of the contribution towards gratuity/pension for the financial year 2015-16 is ₹ 28.64 crore.

B. Post-Retirement Medical Facility (PRMF)

The Company has Post-Retirement Medical Facility (PRMF), under which a retired employee and his / her spouse are provided medical facilities in the Company hospitals/empanelled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company. The liability for the same is recognised on the basis of actuarial valuation.

C. Terminal Benefits

Terminal benefits include baggage allowance for settlement at home town for employees & dependents and farewell gift to the superannuating employees. Further, the Company also provides for pension in respect of employees taken over from erstwhile State Government Power Utility at another station referred at 2.A.(b) above. The liability for the same is recognised on the basis of actuarial valuation.

D. Leave

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. Earned leave is en-cashable while in service. Half-pay leaves (HPL) are en-cashable only on separation beyond the age of 50 years up to the maximum of 240 days (HPL). However, total amount of leave that can be encashed on superannuation shall be restricted to 300 days and no commutation of half-pay leave shall be permissible. The liability for the same is recognised on the basis of actuarial valuation.

The above mentioned schemes (B, C and D) are unfunded and are recognised on the basis of actuarial valuation.

The summarised position of various defined benefits recognised in the Statement of Profit and Loss, Balance Sheet is as under:

(Figures given in { } are for previous year)

i) Expenses recognised in Statement of Profit & Loss

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Current Service Cost	70.90 {70.40}	17.98 {15.60}	57.26 {55.04}	7.34 {6.14}
Past Service Cost	- {-}	- {-}	- {-}	- {-}
Interest cost on benefit obligation	130.20 {115.60}	47.80 {36.24}	80.10 {68.93}	26.60 {21.81}
Expected return on plan assets	(111.23) {(100.89)}	- {-}	- {-}	- {-}
Net actuarial (gain)/ loss recognised in the year	-88.76 {(18.74)}	125.59 {73.97}	150.41 {181.89}	32.82 {26.49}
Less: Expenses transferred to capital work-in-progress	-1.59 {3.81}	6.46 {4.46}	14.84 {13.17}	- {-}
Expenses recognised in the Statement of Profit & Loss	2.70 {62.56}	184.91 {121.35}	272.93 {292.69}	66.76 {54.44}

ii) The amount recognised in the Balance Sheet

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 31.03.2015	1,554.28 {1,531.56}	730.48 {562.04}	1,018.04 {942.20}	363.66 {312.98}
Fair value of plan assets as at 31.03.2015	1,458.96 {1,391.67}	- {-}	- {-}	- {-}
Net liability recognised in the Balance Sheet	95.32 {139.89}	730.48 {562.04}	1,018.04 {942.20}	363.66 {312.98}

iii) Changes in the present value of the defined benefit obligations:

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 01.04.2014	1,531.56 {1,445.04}	562.04 {452.95}	942.21 {861.74}	312.98 {272.39}
Interest cost	130.33 {115.60}	47.80 {36.24}	80.20 {68.93}	26.60 {21.81}
Current Service Cost	70.90 {70.40}	17.98 {15.60}	57.26 {55.04}	7.34 {6.14}
Benefits paid	(113.87) {(95.27)}	(22.93) {(16.72)}	(212.05) {(225.40)}	(16.08) {(13.84)}
Net actuarial (gain)/ loss on obligation	-64.64 {(4.21)}	125.59 {73.97}	150.42 {181.89}	32.82 {26.48}
Present value of the defined benefit obligation as at 31.03.2015	1,554.28 {1,531.56}	730.48 {562.04}	1,018.04 {942.20}	363.66 {312.98}

iv) Changes in the fair value of plan assets:

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Fair value of plan assets as at 01.04.2014	1391.67 {1,263.85}	- {-}	- {-}	- {-}
Expected return on plan assets	111.37 {100.89}	- {-}	- {-}	- {-}
Contributions by employer	39.93 {102.08}	- {-}	- {-}	- {-}
Benefit paid	(108.13) {(89.67)}	- {-}	- {-}	- {-}
Actuarial gain / (loss)	24.12 {14.52}	- {-}	- {-}	- {-}
Fair value of plan assets as at 31.03.2015	1,458.96 {1,391.67}	- {-}	- {-}	- {-}

v) Other disclosures:

₹ Crore

Gratuity & pension	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Present value of obligation as at	1,554.28	1,531.33	1,444.88	1,298.47	1,193.00
Fair value of plan assets as at	1,458.96	1,391.68	1,263.86	1,169.93	1,039.20
Surplus/(Deficit)	(95.32)	(139.65)	(181.02)	(128.54)	(153.80)
Experience adjustment on plan liabilities (loss)/gain	61.86	3.19	(50.07)	(19.58)	(58.60)
Experience adjustment on plan assets (loss)/gain	24.24	14.52	9.44	12.39	5.76
PRMF	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Present value of obligation as at	730.48	562.02	452.93	371.11	313.06
Experience adjustment on plan liabilities (loss)/gain	(123.79)	(73.98)	(19.60)	(30.73)	(33.28)
Leave	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Present value of obligation as at	1018.04	941.73	861.46	745.82	656.75
Experience adjustment on plan liabilities (loss)/gain	(151.26)	(181.31)	(179.16)	(90.71)	(88.59)
Terminal Benefits	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
Present value of obligation as at	363.66	312.97	272.38	229.82	192.67
Experience adjustment on plan liabilities (loss)/gain	(34.85)	(26.37)	(25.45)	(24.43)	(23.91)

vi) The effect of one percentage point increase/decrease in the medical cost of PRMF will be as under:

₹ Crore

Particulars	Increase by	Decrease by
Service and Interest cost	18.04	(14.23)
Present value of obligation	105.11	(91.55)

E. Details of the Plan Assets

The details of the plan assets at cost are:

₹ Crore

	31.03.2015	31.03.2014
i) State government securities	0.30	399.15
ii) Central government securities	92.90	322.97
iii) Corporate bonds/debentures	274.58	510.21
iv) Money market instruments	2.50	5.62
v) Investment with insurance companies	1,051.92	95.88
vi) Fixed deposits with banks	11.48	7.09
Total (excluding interest accrued)	1,433.68	1,340.92

The amounts included in the value of plan assets in respect of the reporting enterprise's own financial instruments is Nil (previous year ₹ 25.00 crore).

F. Actual return on plan assets ₹ 134.56 crore (previous year ₹ 114.66 crore).

G. Other Employee Benefits

Provision for Long Service Award and Family Economic Rehabilitation Scheme amounting to ₹ 28.76 crore (previous year ₹ 3.48 crore) for the year have been made on the basis of actuarial valuation at the year end and debited to the Statement of Profit & Loss.

H. Actuarial Assumptions

Principal assumptions used for actuarial valuation for the year ended are:

	31.03.2015	31.03.2014
i) Method used	Projected Unit Credit Method	
ii) Discount rate	8.00%	8.50%
iii) Expected rate of return on assets:		
- Gratuity	8.00%	8.00%
- Pension	7.50%	7.00%
iv) Annual increase in costs	6.00%	6.50%
v) Future salary increase	6.00%	6.50%

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. Further, the expected return on plan assets is determined considering several applicable factors mainly the composition of plan assets held, assessed risk of asset management and historical returns from plan assets.

41 **Disclosure as per Accounting Standard - 16 on 'Borrowing Costs'**

Borrowing costs capitalised during the year are ₹ 3,810.43 crore (previous year ₹ 3,158.17 crore).

42 **Disclosure as per Accounting Standard - 17 on 'Segment Reporting'**

Segment information:

a) Business Segments

The Group's principal business is generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy, project management and supervision, oil and gas exploration and coal mining.

b) Segment Revenue and Expense

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

c) Segment Assets and Liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Capital work-in-progress and capital advances are included in unallocated corporate and other assets. Segment liabilities include operating liabilities and provisions.

(₹ Crore)

	Business Segments				Total	
	Generation		Others		Current Year	Previous Year
	Current Year	Previous Year	Current Year	Previous Year		
Segment revenue						
Sale of energy/consultancy, project management and supervision fees *	76,969.57	75,703.99	3,044.17	2,801.37	80,013.74	78,505.36
Other income	948.73	785.69	36.75	110.40	985.48	896.09
Unallocated corporate and other income					1,701.73	2,309.30
Total	77,918.30	76,489.68	3,080.92	2,911.77	82,700.95	81,710.75
Segment result #						
Unallocated corporate interest and other income					1,701.73	2,309.30
Unallocated corporate expenses, interest and finance charges					4,649.42	4,191.12
Profit before tax					10,456.21	14,485.76
Income tax (net)					463.84	3,082.36
Profit after tax					9,992.37	11,403.40
Other information						
Segment assets	1,17,091.25	1,02,887.26	5,222.98	4,143.41	1,22,314.23	1,07,030.67
Unallocated corporate and other assets					97,261.92	93,014.46
Total assets	1,17,091.25	1,02,887.26	5,222.98	4,143.41	2,19,576.15	2,00,045.13
Segment liabilities	16,325.12	15,931.93	2,827.80	2,079.11	19,152.92	18,011.04
Unallocated corporate and other liabilities					1,18,329.25	94,704.37
Total liabilities	16,325.12	15,931.93	2,827.80	2,079.11	1,37,482.17	1,12,715.41
Depreciation (including prior period)	5,536.29	4,736.33	5.56	2.98	5,541.85	4,739.31
Non-cash expenses other than depreciation	224.02	137.62	6.28	7.37	230.30	144.99
Capital expenditure	24,732.46	25,474.76	1,058.87	807.09	25,791.33	26,281.85

* Includes (-) ₹ 719.80 crore (previous year ₹ 1,816.83 crore) for sales related to earlier years.

Generation segment result would have been ₹ 14,085.93 crore (previous year ₹ 14,467.92 crore) without including the sales related to earlier years.

b) The operations of the Group are mainly carried out within the country and therefore, geographical segments are inapplicable.

43 **Disclosure as per Accounting Standard - 18 on 'Related Party Disclosures'**

a) Related parties:

i) Joint ventures:

Utility Powertech Ltd., NTPC-Alstom Power Services Private Ltd., BF-NTPC Energy Systems Ltd., National Power Exchange Ltd., Pan-Asian Renewables Private Ltd., Trincomalee Power Company Ltd. and Bangladesh -India Friendship Power Company Private Ltd.

ii) Key Management Personnel:

Shri Arup Roy Choudhury	Chairman and Managing Director
Shri I.J. Kapoor	Director (Commercial)
Shri A.K.Jha	Director (Technical)
Shri U.P.Pani	Director (Human Resources)
Shri S.C.Pandey	Director (Projects)
Shri K.Biswal	Director (Finance)
Shri K.K.Sharma	Director (Operations) ¹
Shri N.N.Misra	Director (Operations) ²

1. W.e.f. 1st November 2014

2. Superannuated on 31st October 2014

b) Transactions with the related parties at a (i) above are as follows:

₹ Crore

Particulars	Current year	Previous year
i) Transactions during the year		
• Contracts for works/services for services received by the Company		
- Utility Powertech Ltd.	522.02	439.74
- NTPC-Alstom Power Services Private Ltd.	30.82	0.94
- National Power Exchange Ltd.	-	0.36
• Contracts for works/services for services provided by the Company		
- Utility Powertech Ltd.	0.02	-
- Trincomalee Power Company Ltd.	1.16	0.20
• Deputation of Employees:		
- Utility Powertech Ltd.	0.39	0.25
- NTPC-Alstom Power Services Private Ltd.	0.77	0.85
- Trincomalee Power Company Ltd.	1.77	0.96
- Pan-Asian Renewables Private Ltd.	0.35	0.33
- Bangladesh-India Friendship Power Company Private Ltd.	3.10	1.34
ii) Dividend Received:		
- Utility Powertech Ltd.	7.00	5.50
- NTPC-Alstom Power Services Private Ltd.	0.47	0.30
iii) Amount recoverable for contracts for works/services received:		
- Utility Powertech Ltd.	0.19	0.17
- NTPC-Alstom Power Services Private Ltd.	17.96	0.04
- National Power Exchange Ltd.	-	0.14
iv) Amount payable for contracts for works/services received:		
- Utility Powertech Ltd.	81.27	69.49
- NTPC-Alstom Power Services Private Ltd.	8.18	6.52
v) Amount recoverable for contracts for works/services provided:		
- Utility Powertech Ltd.	0.01	-
- BF-NTPC Ltd.	0.12	0.12
- Trincomalee Power Company Ltd.	1.62	0.55
vi) Amount payable for contracts for works/services provided:		
- Trincomalee Power Company Ltd.	0.92	-
vii) Amount recoverable on account of deputation of employees:		
- Utility Powertech Ltd.	0.10	0.10
- NTPC-Alstom Power Services Private Ltd.	0.53	0.66
- Trincomalee Power Company Ltd.	1.90	1.12
- Pan-Asian Renewables Private Ltd.	0.04	-
- Bangladesh-India Friendship Power Company Private Ltd.	4.44	1.34
viii) Equity contributions made:		
- Pan-Asian Renewables Private Ltd.	-	1.00
- Trincomalee Power Company Ltd.	2.54	-
- Bangladesh -India Friendship Power Company Private Ltd.	25.31	6.12

The Company has received bank guarantees from Utility Powertech Ltd. for an amount of ₹ 7.67 crore (previous year ₹ 6.36 crore).

- c) Remuneration to key management personnel for the year is ₹ 3.49 crore (previous year ₹ 4.09 crore) and amount of dues outstanding to the Company as at 31st March 2015 are ₹ Nil (previous year ₹ 0.03 crore).

₹ Crore		
Managerial remuneration to Key management personnel	Current year	Previous year
Shri Arup Roy Choudhury	0.50	0.52
Shri I.J. Kapoor	0.56	0.59
Shri A.K.Jha	0.48	0.56
Shri U.P.Pani	0.43	0.37
Shri S.C.Pandey	0.37	0.21
Shri K.Biswal	0.35	0.10
Shri K.K.Sharma	0.16	-
Shri N.N.Misra	0.64	0.52
Shri.B.P.Singh	-	0.58
Shri A.K. Singhal	-	0.64
Total	3.49	4.09

44 Disclosure as per Accounting Standard - 19 on 'Leases'

a) Finance leases

(i) During previous years, the Company took on lease certain vehicles and had option to purchase them as per the terms of the lease agreements. As at 31st March 2015, there are no vehicles on lease.

(ii) The Company has entered into an agreement for coal movement through inland waterways transport. As per the agreement, the operator shall design, build, operate and maintain the unloading infrastructure and material handling system ("facility"), and transfer the same to the Company after expiry of 7 years at ₹ 1/-. The facility shall be constructed in two phases of which Phase I has been completed and is under operation. Fair value of the entire facility is ₹ 90 crore and the assets and liability in respect of Phase-I have been recognised at ₹ 60 crore based on technical assessment. The minimum lease payments shall start on completion of Phase-II of the facility. Amounts payable for the coal transported through Phase-I of the facility are disclosed as contingent rent.

₹ Crore		
	31.03.2015	31.03.2014
a) Obligations towards minimum lease payments		
• Not later than one year	15.45	12.02
• Later than one year and not later than five years	82.41	82.41
• Later than five years	46.36	49.79
Total	144.22	144.22
b) Present value of (a) above		
• Not later than one year	7.83	5.27
• Later than one year and not later than five years	52.31	45.81
• Later than five years	39.51	38.92
Total	99.65	90.00
c) Finance charges	44.57	54.22
d) Contingent rent for the year	5.16	2.01

b) Operating leases

The Group's other significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps for a period of one to two years. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note 24 - Employee benefits expense includes ₹ 47.05 crore (previous year ₹ 73.11 crore) towards lease payments (net of recoveries) in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps are included under 'Rent' in Note 26 - 'Generation, administration and other expenses'. Further, the Company has taken a helicopter on wet lease basis for a period of eleven years and the amount of lease charges is included in 'Hire charges of helicopter/aircraft' in Note 26.

45 **Disclosure as per Accounting Standard - 20 on 'Earnings Per Share'**

The elements considered for calculation of Earning Per Share (Basic and Diluted) are as under:

	Current Year	Previous Year
Group profit after tax used as numerator - ₹ crore	9,986.34	11,403.61
Weighted average number of equity shares used as denominator	8,24,54,64,400	8,24,54,64,400
Earning per share (Basic and Diluted) - ₹	12.11	13.83
Nominal value per share - ₹	10/-	10/-

46 **Disclosure as per Accounting Standard - 26 on 'Intangible Assets'**

Research expenditure charged to revenue during the year is ₹ 97.56 crore (previous year ₹ 98.52 crore).

47 **Disclosure as per Accounting Standard - 28 on 'Impairment of Assets'**

As required by Accounting Standard (AS) 28 'Impairment of Assets', an assessment of impairment of assets was carried out by the Company and based on such assessment, there has been no impairment loss during the year.

48 **Disclosure as per Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets'**

₹ crore

Particulars	Balance as at 01.04.2014	Additions during the year	Payments during the year	Reversal / adjustments during the year	Balance as at 31.03.2015
Long Term Provisions (Note-8)					
Contractual Obligations	10.09	14.77	6.58	6.15	12.13
Short Term Provisions (Note-11)					
Provision for obligations incidental to land acquisition	3,001.72	903.75	275.64	385.13	3,244.70
Provision for tariff adjustment	1,293.69	150.22	-	180.16	1,263.75
Others	451.93	129.30	3.36	20.20	557.67
Total	4,757.43	1,198.04	285.58	591.64	5,078.25

49 **Corporate Social Responsibility Expenses (CSR)**

During the year, an amount of ₹ 207.43 crore has been spent on CSR activities in accordance with Section 135 of the Companies Act, 2013 and rules thereto. Further, an amount of ₹ 78.92 crore has been appropriated to CSR Reserve from surplus during the year. Also refer Note 2.

50 **Disclosure as per Schedule III to the Companies Act, 2013**

Name of the entity	Net assets i.e. total assets minus total liabilities as at 31.03.2015		Share in profit or loss for the year 2014-15	
	As % of consolidated net assets	Amount (₹ crore)	As % of consolidated profit or loss	Amount (₹ crore)
1	2	3	4	5
A. Parent				
NTPC Ltd.	89.81%	74530.02	101.82%	10174.25
B. Subsidiaries				
Indian				
1. NTPC Electricity Supply Company Ltd.	0.05%	41.75	0.01%	1.27
2. NTPC Vidyut Vyapar Nigam Ltd.	0.25%	205.89	0.44%	43.60
3. Kanti Bijlee Utpadan Nigam Ltd.	1.07%	884.27	0.11%	11.21
4. Bhartiya Rail Bijlee Company Ltd.	1.41%	1,172.02	0.00%	(0.03)
Minority interests in all subsidiaries	1.07%	887.94	0.06%	6.03

Name of the entity	Net assets i.e. total assets minus total liabilities as at 31.03.2015		Share in profit or loss for the year 2014-15	
C. Joint Ventures				
Indian				
1. Utility Powertech Ltd.	0.03%	27.16	0.12%	11.61
2. NTPC Alstom Power Services Private Ltd.	0.01%	11.34	0.01%	1.31
3. NTPC SAIL Power Company Private Ltd.	0.99%	821.19	1.14%	113.70
4. NTPC Tamilnadu Energy Company Ltd.	1.50%	1,243.25	-0.43%	(43.39)
5. Ratnagiri Gas & Power Private Ltd.	0.32%	262.12	-4.06%	(405.24)
6. Aravali Power Company Private Ltd.	1.98%	1,643.80	0.90%	89.92
7. NTPC SCCL Global Ventures Private Ltd.	0.00%	0.05	0.00%	-
8. Meja Urja Nigam Private Ltd.	0.65%	539.99	0.00%	(0.03)
9. NTPC- BHEL Power Projects Private Ltd.	0.08%	66.33	0.01%	0.84
10. BF-NTPC Energy Systems Ltd.	0.00%	2.46	0.00%	(0.15)
11. Nabinagar Power Generating Company Private Ltd.	0.62%	510.49	0.00%	-
12. National Power Exchange Ltd.	0.00%	1.14	0.00%	0.02
13. International Coal Ventures Private Ltd.	0.00%	2.30	0.00%	-
14. National High Power Test Laboratory Private Ltd.	0.03%	23.40	0.00%	-
15. Transformers & Electricals Kerala Ltd.	0.05%	38.33	-0.15%	(14.69)
16. Energy Efficiency Services Ltd.	0.03%	28.73	0.03%	2.59
17. CIL NTPC Urja Private Ltd.	0.00%	0.01	-	-
18. Anushakti Vidyut Nigam Ltd.	0.00%	0.01	0.00%	-
19. Pan-Asian Renewables Private Ltd.	0.00%	0.20	0.00%	(0.42)
20. Kinesco Power&Utilities Private Ltd.(a 50% Joint Venture of wholly owned subsidiary NTPC Electric Supply Company Ltd.)	0.00%	0.60	0.00%	0.20
Foreign				
1. Trincomalee Power Company Ltd. (incorporated in Srilanka)	0.01%	5.10	0.00%	(0.23)
2. Bangladesh India Power Company Private Ltd. (incorporated in Bangladesh)	0.04%	32.03	0.00%	-
Total		82,981.92		9,992.37

51 **Foreign currency exposure**

a) Hedged by a derivative instrument

The derivative contracts outstanding as at 31st March 2015 are as under:

Particulars	Currencies	Amount in Foreign Currency (Crore)		Amount (₹ Crore)	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014
Currency & Interest Rate Swap	JPY	14.96	19.23	7.89	11.38
Principal Only Swap	EUR	1.00	-	68.56	-

MTM loss on the above contract as at 31st March 2015 is as under:

Particulars	Amount (₹ Crore)	
	31.03.2015	31.03.2014
Currency & Interest Rate Swap	1.15	-
Principal Only Swap	3.44	-

The derivative contracts entered into by the Company are for hedging currency and/or interest rate risk on foreign currency loans.

b) Not hedged by a derivative instrument or otherwise

Particulars	Currencies	Amount in Foreign Currency (Crore)		Amount (₹ Crore)	
		31.03.2015	31.03.2014	31.03.2015	31.03.2014
Borrowings, including interest accrued but not due thereon.	USD	342.19	260.54	21,622.72	15,791.13
	JPY	5,197.55	4,560.37	2,740.41	2,697.46
	EURO	19.69	13.67	1,350.02	1,143.00
Trade payables/deposits and retention monies	USD	39.51	24.79	2,494.81	1,502.52
	EURO	11.97	11.33	819.95	947.64
	Others	148.73	92.17	95.37	74.67
Trade receivables and Bank balances	USD	1.77	0.02	111.48	1.33
	Others	309.47	0.84	468.99	0.54
Unexecuted amount of contracts remaining to be executed	USD	80.92	125.02	5,112.87	7,577.46
	EURO	62.12	79.61	4,256.46	6,658.58
	Others	1,520.26	1,656.34	919.62	1,176.68

52 Contingent Liabilities:

(a) Claims against the Group not acknowledged as debts in respect of:

(i) Capital Works

Some of the contractors for supply and installation of equipments and execution of works have lodged claims for ₹ 8,127.22 crore (previous year ₹ 4,290.45 crore) seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested as being not admissible in terms of the provisions of the respective contracts.

Various options are being pursued under the dispute resolution mechanism available in the contracts for settlement of these claims. It is not practicable to make a realistic estimate of the outflow of resources if any, for settlement of such claims pending resolution.

(ii) Land compensation cases

In respect of land acquired for the projects, the erstwhile land owners have claimed higher compensation before various authorities/courts which are yet to be settled. Against such cases, contingent liability of ₹ 314.30 crore (previous year ₹ 395.16 crore) has been estimated.

(iii) Fuel Suppliers

Pending resolution of the issues with fuel companies, an amount of ₹ 567.22 crore (previous year ₹ 647.33 crore) towards surface transportation charges, customs duty on service margin on imported coal, etc. has been estimated as contingent liability.

(iv) Others

In respect of claims made by various State/Central Government departments/Authorities towards building permission fee, penalty on diversion of agricultural land to non-agricultural use, non agriculture land assessment tax, water royalty etc. and by others, contingent liability of ₹ 896.34 crore (previous year ₹ 1,088.23 crore) has been estimated.

(v) Possible Reimbursement

The contingent liabilities referred to in (i) above, include an amount of ₹ 1,172.56 crore (previous year ₹ 994.83 crore) relating to the hydro power project stated in Note 15 A (b) - Other non-current assets, for which Company envisages possible reimbursement from GOI in full. In respect of balance claims included in (i) and in respect of the claims mentioned at (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 Regulations subject to prudence check by the CERC. In case of (iii), the estimated possible reimbursement by way of recovery through tariff as per Regulations is ₹ 423.36 crore (previous year ₹ 637.82 crore).

(b) Disputed Tax Matters

Disputed Income Tax/Sales Tax/Excise and other tax matters pending before various Appellate Authorities amount to ₹ **5,259.48 crore** (previous year ₹ 2,595.87 crore). Many of these matters were disposed off in favour of the respective companies but are disputed before higher authorities by the concerned departments. In respect of disputed tax matters, possible reimbursement of ₹ **2,430.71 crore** (previous year ₹ 852.52 crore) is estimated.

(c) Others

Other contingent liabilities amount to ₹ **914.22 crore** (previous year ₹ 513.70 crore).

Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

The contingent liabilities disclosed above include ₹ **600.02 crore** (previous year ₹ 247.25 crore) share of jointly controlled entities.

53 Capital and other commitments

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2015 is ₹ **65,787.51 crore** (previous year ₹ 76,636.90 crore) which includes an amount of ₹ **6,113.95 crore** (previous year ₹ 9,905.90 crore) in respect of jointly controlled entities.
- b) Company's commitment towards the minimum work programme in respect of oil exploration activities of joint venture operations has been disclosed in Note 31 C.
- c) Group's commitment in respect of lease agreements has been disclosed in Note 44.
- d) Company's commitment towards the minimum work programme in respect of oil exploration activity of Cambay Block (100% owned by the company) is ₹ **140.27 crore (USD 22.41 million)** (previous year ₹ 198.21 crore, USD 32.98 million).
- e) Company's commitment towards the minimum work programme in respect of oil exploration activities of joint venture operations has been disclosed in Note 31 C.

54 Other disclosures as per Schedule III of the Companies Act, 2013

₹ crore

Particulars	Current year		Previous year	
a) Value of imports calculated on CIF basis:				
Capital goods		3,058.85		2,524.85
Spare parts		85.65		140.24
b) Expenditure in foreign currency:				
Professional and consultancy fee		12.87		39.18
Interest		821.59		775.72
Others		51.25		67.17
c) Value of components, stores and spare parts consumed (including fuel):	Current year		Previous year	
	%age	Amount	%age	Amount
Imported	17.05	8,849.03	14.16	6,925.96
Indigenous	82.95	43,053.02	85.84	41,981.22
			Current year	Previous year
d) Earnings in foreign exchange:				
Professional & consultancy fee			2.94	3.08
Others			461.03	227.70

55 Some of the Subsidiaries and Joint Venture Companies followed different accounting policies from that of the Company and the impact of the same is not material.

56 Statement containing salient features of the financial statements of Subsidiaries/Joint Ventures of NTPC Ltd. pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014, in form AOC I is attached.

FORM NO.AOC.1

Statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures of NTPC Ltd.

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Amount in ₹ crore)

1.	Sl. No.	1	2	3	4
2.	Name of the Subsidiary	NTPC Electric Supply Company Ltd.	NTPC Vidyut Vyapar Nigam Ltd.	Kanti Bijlee Utpadan Nigam Ltd.	Bhartiya Rail Bijlee Company Ltd.
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Same as that of Holding Company (1.04.2014 - 31.03.2015)	Same as that of Holding Company (1.04.2014 - 31.03.2015)	Same as that of Holding Company (1.04.2014 - 31.03.2015)	Same as that of Holding Company (1.04.2014 - 31.03.2015)
4.	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.	NA	NA	NA	NA
5.	Share capital	0.08	20.00	1,000.00	1,584.61
6.	Reserves & surplus	41.66	185.90	360.42	(0.80)
7.	Total assets	644.94	1,166.22	3,827.87	5,237.45
8.	Total liabilities	603.20	960.32	2,467.45	3,653.64
9.	Investments	-	-	-	-
10.	Turnover	16.86	3,873.60	459.98	-
11.	Profit before taxation	1.60	66.48	45.15	(0.04)
12.	Provision for taxation	0.34	22.87	27.91	-
13.	Profit after taxation	1.26	43.61	17.24	(0.04)
14.	Proposed dividend	-	-	-	-
15.	% of Shareholding	100%	100%	65%	74%

Notes:

1.	Subsidiaries which are yet to commence operations.	Bhartiya Rail Bijlee Company Ltd.
2.	Subsidiaries which have been liquidated or sold during the year.	Nil

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013

Sl. No.	Name of Joint Ventures	Utility Powertech Ltd.	NTPC - ALSTOM Power Services Pvt. Ltd.	NTPC-SAIL Power Company Pvt. Ltd.	NTPC-Tamilnadu Energy Company Ltd.	Ratnagiri Gas and Power Pvt. Ltd.	Aravali Power Company Pvt. Ltd.	NTPC-SCCL Global Ventures Pvt. Ltd.	Meja Urja Nigam Pvt. Ltd.	NTPC-BHEL Power Projects Pvt. Ltd.	BF-NTPC Energy Systems Ltd.	Nabinagar Power Generating Co. Pvt. Ltd.	National Power Exchange Ltd.
1.	Latest Audited Balance Sheet Date	31.03.2015	31.03.2015	31.03.2015	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2015	31.03.2014
2.	Shares of Joint Ventures held by the Company on the year end as at 31.03.2015												
	- Number	20,00,000	30,00,000	49,02,50,050	1,32,56,06,112	97,43,08,300	1,25,75,08,200	50,000	41,24,29,800	5,00,00,000	58,80,000	51,11,25,000	21,88,325
	- Amount of Investment in Joint Venture (₹ crore)	1.00	3.00	490.25	1,325.61	974.30	1,278.85	0.05	541.35	50.00	5.88	511.13	2.19
	- Extent of Holding (%)	50.00%	50.00%	50.00%	50.00%	28.91%	50.00%	50.00%	50.00%	50.00%	49.00%	50.00%	16.67%
3.	Description of how there is significant influence	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
4.	Reason why the Joint Venture is not consolidated	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
5.	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ crore)	27.16	11.34	821.20	1,243.25	262.12	1,622.47	0.05	411.06	66.33	2.46	510.49	1.14
6.	Profit/ Loss for the year												
	i Considered for Consolidation (₹ crore)	11.61	1.31	113.71	(43.39)	(405.24)	89.92	-	(0.03)	0.84	(0.15)	-	0.02
	ii Not Considered in Consolidation	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Sl. No.	Name of Joint Ventures	International Coal Ventures Pvt. Ltd.	National High Power Test Laboratory Pvt. Ltd.	Transformers & Electricals Kerela Ltd.	Energy Efficiency Services Ltd.	CIL NTPC Urja Pvt. Ltd.	Anushakti Vidhyut Nigam Ltd.	Pan-Asian Renewables Pvt. Ltd.	Trincomalee Power Company Ltd.	Bangladesh-India Friendship Power Company Pvt. Ltd.
1.	Latest Audited Balance Sheet Date	31.03.2014	31.03.2015	31.03.2014	31.03.2014	31.03.2014	31.03.2015	31.03.2014	31.03.2014	30.06.2014
2.	Shares of Joint Ventures held by the Company on the year end as at 31.03.2015									
	- Number	14,00,000	2,39,00,000	1,91,63,438	2,25,00,000	25,000	49,000	15,00,000	20,36,061	20,00,000
	- Amount of Investment in Joint Venture (₹ crore)	1.40	23.90	31.34	22.50	0.08	0.05	1.50	9.26	31.43
	- Extent of Holding (%)	0.27%	21.63%	44.60%	25.00%	50.00%	49.00%	50.00%	50.00%	50.00%
3.	Description of how there is significant influence	NA	NA	NA	NA	NA	NA	NA	NA	NA
4.	Reason why the Joint Venture is not consolidated	NA	NA	NA	NA	NA	NA	NA	NA	NA
5.	Networth attributable to Shareholding as per latest audited Balance Sheet (₹ crore)	1.40	23.40	38.33	28.73	(0.02)	0.01	0.19	5.10	16.02
6.	Profit/ Loss for the year									
	i Considered for Consolidation (₹ crore)	-	-	(14.69)	2.59	-	-	(0.42)	(0.23)	-
	ii Not Considered in Consolidation	NA	NA	NA	NA	NA	NA	NA	NA	NA

Notes:

A. Names of Joint Ventures which are yet to commence operations.

- 1 NTPC-SCCL Global Ventures Private Ltd.
- 2 Meja Urja Nigam Private Ltd.
- 3 BF - NTPC Energy Systems Ltd.
- 4 Nabinagar Power Generating Company Private Ltd.
- 5 National Power Exchange Ltd.
- 6 International Coal Ventures Private. Ltd.
- 7 National High Power Test Laboratory Private Ltd.
- 8 CIL NTPC Urja Private Ltd.
- 9 Anushakti Vidyut Nigam Ltd.
- 10 Pan-Asian Renewables Private Ltd.
- 11 Trincomalee Power Company Ltd. (incorporated in Srilanka)
- 12 Bangladesh-India Friendship Power Company Private Ltd. (incorporated in Bangladesh)

B. Names of Associates or Joint Ventures which have been liquidated or sold during the year.

No Joint Venture or Associate has been liquidated or sold during the year. However, M/s National Power Exchange Ltd. and M/s Pan-Asian Renewables Pvt. Ltd are in the process of voluntary winding up.

NOTES TO CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR 2013-2014

1. Share capital

₹ Crore

As at	31.03.2014	31.03.2013
Equity share capital		
Authorised		
10,00,00,00,000 shares of par value of ₹10/- each (previous year 10,00,00,00,000 shares of par value of ₹10/- each)	<u>10,000.00</u>	<u>10,000.00</u>
Issued, subscribed and fully paid-up		
8,24,54,64,400 shares of par value of ₹10/- each (previous year 8,24,54,64,400 shares of par value of ₹10/- each)	<u>8,245.46</u>	<u>8,245.46</u>

a) Details of shareholders holding more than 5% shares in the Company:

Particulars	31.03.2014		31.03.2013	
	No. of shares	%age holding	No. of shares	%age holding
- President of India	618,40,98,300	75.00	618,40,98,300	75.00
- Life Insurance Corporation of India	70,67,78,072	8.57	63,12,94,191	7.66

2. Reserves and surplus

	₹ Crore	
As at	31.03.2014	31.03.2013
Capital reserve		
As per last financial statements	408.97	391.33
Add : Transfer from surplus	4.98	0.97
Add : Grants received during the year	20.32	41.24
Less : Adjustments during the year	33.30	24.57
	<u>400.97</u>	<u>408.97</u>
Securities premium account		
As per last financial statements	2,228.11	2,228.11
Add : Received during the year	0.23	-
	<u>2,228.34</u>	<u>2,228.11</u>
Foreign currency translation reserve	0.15	(0.41)
Debt service reserve		
As per last financial statements	81.84	-
Add : Transfer from surplus	162.17	81.84
	<u>244.01</u>	<u>81.84</u>
Self insurance reserve		
As per last financial statements	50.11	50.11
Less : Transfer to surplus	27.49	-
Less : Adjustments during the year	0.82	-
	<u>21.80</u>	<u>50.11</u>
Bonds redemption reserve		
As per last financial statements	2,535.33	2,389.04
Add : Transfer from surplus	576.08	492.79
Less : Transfer to surplus	346.50	346.50
	<u>2,764.91</u>	<u>2,535.33</u>
General reserve		
As per last financial statements	66,958.67	60,339.89
Add : Transfer from surplus	5,012.08	6,643.18
Less: Adjustments during the year	4.92	24.40
	<u>71,965.83</u>	<u>66,958.67</u>
Surplus		
As per last financial statements	732.87	632.70
Add: Profit for the year as per Statement of Profit and Loss	11,403.61	12,590.78
Transfer from bond redemption reserve	346.50	346.50
Transfer from self insurance reserve	27.49	-
Less: Transfer to bond redemption reserve	576.08	492.79
Transfer to capital reserve	4.98	0.97
Transfer to fly ash utilisation fund	17.01	12.06
Transfer to debt service reserve	162.17	81.84
Transfer to general reserve	5,012.08	6,643.18
Dividend paid	3,300.69	3,094.07
Tax on dividend paid	560.96	501.94
Proposed dividend	1,491.07	1,718.27
Tax on proposed dividend	253.41	291.99
Net surplus	<u>1,132.02</u>	<u>732.87</u>
Total #	<u><u>78,758.03</u></u>	<u><u>72,995.49</u></u>

Includes ₹ 758.91 crore (previous year ₹ 475.25 crore) share of jointly controlled entities.

2. Reserves and surplus

- a) Addition to Securities premium account represents premium received on issue of tax free bonds through private placement.
- b) Debt service reserve has been created as per the loan agreement equivalent to two quarters' interest and principal repayment in respect of Aravali Power Company Pvt. Ltd..
- c) Self insurance reserve has been created by Ratnagiri Gas & Power Private Ltd. to cover machinery breakdown for which no insurance cover agreement has been entered.
- d) Capital reserve includes an amount of ₹ 241.33 crore (previous year ₹ 251.62 crore) relating to grant received from GOI through Government of Bihar for renovation and modernisation of Kanti Bijlee Utpadan Nigam Ltd.

3. Deferred revenue

	₹ Crore	
As at	31.03.2014	31.03.2013
On account of advance against depreciation	692.55	708.60
On account of income from foreign currency fluctuation	917.33	535.45
Total #	1,609.88	1,244.05

Includes ₹ Nil (previous year ₹ Nil) share of jointly controlled entities.

- a) Advance against depreciation (AAD) was an element of tariff provided under the Tariff Regulations for 2001-04 and 2004-09 to facilitate debt servicing by the generators since it was considered that depreciation recovered in the tariff considering a useful life of 25 years is not adequate for debt servicing. Though this amount is not repayable to the beneficiaries, keeping in view the matching principle, and in line with the opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI), this was treated as deferred revenue to the extent depreciation chargeable in the accounts is considered to be higher than the depreciation recoverable in tariff in future years. Since AAD is in the nature of deferred revenue and does not constitute a liability, it has been disclosed in this note separately from shareholders' funds and liabilities.
- b) In line with significant accounting policy no. L.2, an amount of ₹ 16.05 crore (previous year ₹ 9.87 crore) has been recognized during the year from the AAD and included in energy sales (Note 22).
- c) 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 asset by corresponding credit to deferred income from foreign currency fluctuation in respect of the FERV on foreign currency loans adjusted in the cost of fixed assets, which is recoverable from the customers in future years as provided in accounting policy no. L.3. This amount will be recognized as revenue corresponding to the depreciation charge in future years. The amount does not constitute a liability to be discharged in future periods and hence, it has been disclosed separately from shareholder's funds and liabilities.

4. Long-term borrowings

₹ Crore

As at	31.03.2014	31.03.2013
Bonds		
Secured		
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹1,000/- each redeemable at par in full on 16 th December 2033 (Fiftieth Issue - Public Issue - Series 3A) ^{VII}	312.03	-
8.91% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2033 (Fiftieth Issue - Public Issue - Series 3B) ^{VII}	399.97	-
8.48% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2028 (Fiftieth Issue - Public Issue - Series 2A) ^{VII}	249.95	-
8.73% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2028 (Fiftieth Issue - Public Issue - Series 2B) ^{VII}	91.39	-
8.41% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2023 (Fiftieth Issue - Public Issue - Series 1A) ^{VII}	488.02	-
8.66% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 1,000/- each redeemable at par in full on 16 th December 2023 (Fiftieth Issue - Public Issue - Series 1B) ^{VII}	208.64	-
9.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 04 th May 2023 and ending on 04 th May 2027 (Forty fourth issue - private placement) ^{VII}	500.00	500.00
8.48% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 1 st May 2023 (Seventeenth issue - private placement) ^I	50.00	50.00
8.80% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th April 2023 (Forty ninth issue - private placement) ^{VII}	200.00	-
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 7 th March 2023 (Forty eighth issue - private placement) ^{VII} . Secured during the current year.	300.00	300.00
9.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 25 th January 2023 and ending on 25 th January 2027 (Forty second issue - private placement) ^{III}	500.00	500.00
8.84% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th October 2022 (Forty seventh issue - private placement) ^{VII}	390.00	390.00
8.93% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 19 th January 2021 (Thirty seventh issue - private placement) ^{III}	300.00	300.00

4. Long-term borrowings

As at	₹ Crore	
	31.03.2014	31.03.2013
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 31 st March 2020 (Thirty third issue-private placement) ^{III}	195.00	195.00
8.78% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 9 th March 2020 (Thirty first issue-private placement) ^{III}	500.00	500.00
11.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in five equal annual installments commencing from 6 th Nov 2019 and ending on 6 th Nov 2023 (Twenty seventh issue - private placement) ^{III}	350.00	350.00
7.89% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 5 th May 2019 (Thirtieth issue - private placement) ^{III}	700.00	700.00
8.65% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th February 2019 (Twenty ninth issue - private placement) ^{III}	550.00	550.00
7.50% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 12 th January 2019 (Nineteenth issue - private placement) ^{II}	50.00	50.00
11.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 21 st November 2018 (Twenty eighth issue - private placement) ^{III}	1,000.00	1,000.00
9.3473% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 20 th July 2018 and ending on 20 th July 2032 (Forty sixth issue - private placement) ^{VII}	75.00	75.00
9.4376% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 16 th May 2018 and ending on 16 th May 2032 (Forty fifth issue - private placement) ^{VII}	75.00	75.00
8.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 10 th April 2018 (Sixteenth issue - private placement) ^I	100.00	100.00
9.2573% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 2 nd March 2018 and ending on 2 nd March 2032 (Forty third issue - private placement) ^{III}	75.00	75.00
9.6713 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 23 rd December 2017 and ending on 23 rd December 2031 (Forty first issue - private placement) ^{III}	75.00	75.00

4. Long-term borrowings

As at	₹ Crore	
	31.03.2014	31.03.2013
9.558 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 29 th July 2017 and ending on 29 th July 2031 (Fortieth issue - private placement) ^{III}	75.00	75.00
9.3896% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 9 th June 2017 and ending on 9 th June 2031 (Thirty ninth issue - private placement) ^{III}	105.00	105.00
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 22 nd March 2017 and ending on 22 nd March 2031 (Thirty eighth issue - private placement) ^{III}	75.00	75.00
8.8086% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th December 2016 and ending on 15 th December 2030 (Thirty sixth issue - private placement) ^{III}	75.00	75.00
8.785% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th September 2016 and ending on 15 th September 2030 (Thirty fifth issue - private placement) ^{III}	120.00	120.00
8.71% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 10 th June 2016 and ending on 10 th June 2030 (Thirty fourth issue - private placement) ^{III}	150.00	150.00
8.8493% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 25 th March 2016 and ending on 25 th March 2030 (Thirty second issue - private placement) ^{III}	105.00	105.00
9.37% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty fifth issue - private placement) ^{III}	285.50	357.00
9.06% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty sixth issue - private placement) ^{III}	285.50	357.00

4. Long-term borrowings

₹ Crore

As at	31.03.2014	31.03.2013
8.6077% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 9 th September 2011 and ending on 9 th March 2021 (Twenty fourth issue - private placement) ^{IV}	300.00	350.00
8.3796% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 5 th August 2011 and ending on 5 th February 2021 (Twenty third issue - private placement) ^{IV}	300.00	350.00
8.1771% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd July 2011 and ending on 2 nd January 2021 (Twenty second issue - private placement) ^{IV}	300.00	350.00
7.7125% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd August 2010 and ending on 2 nd February 2020 (Twenty first issue - private placement) ^V	500.00	600.00
7.552% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 23 rd September 2009 and ending on 23 rd March 2019 (Twentieth Issue - private placement) ^{VI}	200.00	250.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each with ten equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of the 6 th year and in annual installments thereafter upto the end of 15 th year respectively from 30 th April 2002 (Thirteenth issue - Part B - private placement) ^{VIII}	225.00	300.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each redeemable at par in ten equal annual installments commencing from the end of 6 th year and upto the end of 15 th year respectively from 18 th April 2002 (Thirteenth issue -Part A - private placement) ^{VIII}	225.00	300.00
Unsecured*		
8.61% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2034 (Fifty First Issue C - Private Placement)*	320.00	-
8.63% Tax free secured non-cumulative non-convertible redeemable bonds of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2029 (Fifty First Issue B - Private Placement)*	105.00	-
9.34% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 24 th March 2024 (Fifty Second Issue - private placement)*	750.00	-
8.19% Tax free secured non-cumulative non-convertible redeemable bonds - 2013 of ₹ 10,00,000/- each redeemable at par in full on 4 th March 2024 (Fifty First Issue A - Private Placement)*	75.00	-
	12,311.00	9,704.00
Foreign currency notes		
Unsecured		
4.75 % Fixed rate notes due for repayment on 3 rd October 2022	3,030.50	2,745.50
5.625 % Fixed rate notes due for repayment on 14 th July 2021	3,030.50	2,745.50

4. Long-term borrowings

₹ Crore

As at	31.03.2014	31.03.2013
5.875 % Fixed rate notes due for repayment on 2 nd March 2016	1,818.30	1,647.30
Term loans		
From Banks		
Secured		
Rupee loans ^{IX}	3,399.34	2,986.65
Unsecured		
Foreign currency loans	6,290.80	4,766.70
Rupee loans	18,905.07	13,919.18
From Others		
Secured		
Rupee loans ^{IX}	9,708.46	8,313.13
Unsecured		
Foreign currency loans (guaranteed by GOI)	2,456.03	2,604.09
Other foreign currency loans	2,026.88	1,864.55
Rupee loans	12,503.04	13,090.55
Deposits		
Unsecured		
Fixed deposits	0.09	0.52
Others		
Unsecured		
Bonds application money pending allotment	-	200.00
Long term maturities of finance lease obligations		
Secured	-	0.05
Unsecured	62.29	-
Total[#]	75,542.30	64,587.72

Includes ₹ 9,082.32 crore (previous year ₹ 8,651.80 crore) share of jointly controlled entities.

* Formalities for creation of security as per terms of bond issue are in progress.

4. Long-term borrowings

a) Details of terms of repayment and rate of interest

₹ Crore

Particulars	Non current portion		Current portion	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Term loans				
Secured				
Rupees loans - Banks	3,399.34	2,986.65	310.00	192.87
Rupees loans - Others	9,708.46	8,313.13	395.34	357.82
Foreign currency loan (guaranteed by GOI) - Others	-	-	-	96.44
	13,107.80	11,299.78	705.34	647.13
Unsecured				
Foreign currency loans (guaranteed by GOI) - Others	2,456.03	2,604.09	173.40	171.73
Foreign currency loans - Banks	6,290.80	4,766.70	257.84	233.59
Other foreign currency loans - Others	2,026.88	1,864.55	393.67	576.19
Rupees loans - Banks	18,905.07	13,919.18	1,764.06	1,759.13
Rupees loans - Others	12,503.04	13,090.55	1,591.23	1,367.73
	42,181.82	36,245.07	4,180.20	4,108.37
Fixed deposits (unsecured)	0.09	0.52	0.43	0.11

- i) Secured rupee term loan from banks carry interest linked to SBI base rate or fixed interest rate ranging from 8% to 11.25% p.a., with monthly/quarterly/half-yearly rests. These loans are repayable in quarterly/half-yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of four to fifteen years after a moratorium period of six months from the COD or three to five years from the date of the loan agreement.
- ii) Secured rupee term loan from others carry interest linked to SBI base rate, SBI Advance Rate, rate notified by the lender for category 'A' public sector undertaking, AAA bond yield rates plus agreed margin or fixed interest rate ranging from 7.71% to 13.00 % p.a., with monthly/quarterly/half-yearly rests. These loans are repayable in quarterly/half-yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of four to fifteen years after a moratorium period of six months from the COD or three to five years from the date of the loan agreement.
- iii) Unsecured Foreign Currency Loans (guaranteed by GOI) - Others carry fixed rate of interest ranging from 1.80% p.a. to 2.30% p.a. and are repayable in 25 to 34 semi annual installments as of 31st March 2014.
- iv) Unsecured Foreign Currency Loans – Banks include loans of ₹ **589.81 crore** (previous year ₹ 591.81 crore) which carry fixed rate of interest of 1.88% p.a. to 4.31% p.a. and loans of ₹ **5,958.83 crore** (previous year ₹ 4,408.48 crore) which carry floating rate of interest linked to 6M LIBOR. These loans are repayable in 2 to 24 semiannual instalments as of 31st March 2014, commencing after moratorium period if any, as per the terms of the respective loan agreements.
- v) Unsecured Foreign Currency Loans – Others include loans of ₹ **1,424.92 crore** (previous year ₹ 1,071.57 crore) which carry fixed rate of interest ranging from 1.88% p.a. to 4.31% p.a. and loans of ₹ **995.63 crore** (previous year ₹ 1,277.60 crore) which carry floating rate of interest linked to 6M LIBOR/6M EURIBOR. These loans are repayable in 6 to 24 semiannual installments as of 31st March 2014, commencing after moratorium period if any, as per the terms of the respective loan agreements.
- vi) Unsecured rupee term loans carry interest rate ranging from 5.707 % p.a. to 12.40 % p.a. with monthly/quarterly/half-yearly rests. These loans are repayable in quarterly/half-yearly/yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of seven to fifteen years after a moratorium period of six months to five years.
- vii) Unsecured fixed deposits carry interest ranging from 7.00% to 8.00% p.a. payable quarterly/monthly for non-cumulative schemes and on maturity in case of cumulative schemes compounded quarterly. As per the terms, deposits are repayable during a period of one to three years from the date of issue. However, same may be repaid earlier than their respective maturity in pursuance to applicable provisions and regulations of Companies Act, 2013.

4. Long-term borrowings

- b) The finance lease obligations are repayable in installments as per the terms of the respective lease agreements generally over a period of four to seven years.
- c) During the year, the Company made public issue of ₹1,750 crore (Fiftieth issue - stated above) pursuant to Notification No.61/2013.F.No.178/37/2013-(ITA.I) dated 8th August 2013 issued by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, GOI. The Company has utilised the issue proceeds as per the objects of the issue stated in the prospectus dated 25th November 2013 i.e funding of capital expenditure and refinancing for meeting the debt requirement in ongoing projects, including recoupment of expenditure already incurred.
- d) There has been no default in repayment of any of the loans or interest thereon as at the end of the year except that one of the Joint Venture Companies in which the Company has 32.86% share has defaulted in payment of principal and interest amounting to ₹ 53.48 crore and ₹ 145.69 crore respectively as at the end of the year for a period varying from 30 to 198 days.

Details of securities

- I Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to National Capital Power Station.
- II Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydrel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement.
- III Secured by (I) English mortgage, on first pari passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Sipat Super Thermal Power Project by extension of charge already created.
- IV Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of the title deeds of the immovable properties pertaining to Sipat Super Thermal Power Project.
- V Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Barh Super Thermal Power Project on first pari-passu charge basis, ranking pari passu with charge already created in favour of Trustee for other Series of Bonds and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Ramagundam Super Thermal Power Station by extension of charge already created.
- VI Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to Ramagundam Super Thermal Power Station.
- VII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to National Capital Power Station by extension of charge already created.
- VIII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydrel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Singrauli Super Thermal Power Station by extension of charge already created.
- IX (i) Secured by equitable mortgage/hypothecation of all the present and future Fixed Assets and Moveable Assets of Bhilai Expansion Project (CPP - III) belonging to Joint Venture entity.
- (ii) Secured by equitable mortgage/hypothecation of all the present and future Fixed Assets and Moveable Assets of CPP-II at Rourkela, Durgapur, Bhilai & Corporate office belonging to Joint Venture entity.

- (iii) Secured by first charge by way of hypothecation of all moveable assets of Indira Gandhi Super Thermal Power Project (3 X 500 MW) Coal Based Thermal Power Project at Jhajjar Distt. in state of Haryana belonging to Joint Venture entity, comprising its movable plant and machinery, machinery spares, tools and accessories, furniture & fixture, vehicles and all other movable assets, present and future, including intangible assets, goodwill, uncalled capital, revenue and receivable of the project except for specified receivables on which first charge would be ceded to working capital lenders present and future and

Secured by first charge by way of mortgage by deposit of title deed of lands (approx 2049.11 acres) and other immovable properties of Indira Gandhi Super Thermal Power Project (3 x 500 MW) coal based thermal power project at jhajjar district in State of Haryana together with buildings and structure erected/ constructed/ standing thereon and all plant and machinery, and equipment attached to the earth or permanently fastened to the earth comprised therein, in respect of which the Joint venture entity, as a owner seized and possessed of and otherwise well and fully entitled to, both present and future assets.

- (iv) Secured by equitable mortgage/ hypothecation of all present and future fixed and movable assets of Nabinagar TPP (4*250) MW of Bharitiya Rail Bijilee Company Ltd., a subsidiary company, as first charge, ranking pari passu with charge already created with PFC for 60% of total debts and balance 40% with REC.
- (v) Secured by equitable mortgage/hypothecation of all the present and future Fixed Assets and Moveable Assets of Power Plant and associated LNG facilities at village Anjanwel, Guhagar, Distt. Ratnagiri belonging to Joint Venture entity.
- (vi) Secured by a first priority charge on all assets of the Project, present & future, movable & immovable and land, in respect of loan from consortium led by SBI for Kanti Bijlee Utpadan Nigam Ltd. expansion project. The security will rank pari-pasu with all term lenders of the project. The charge has been created in favor of Security trustee i.e. SBI Cap Trustee Co. Ltd. Legal mortgage of land in favor of security trustee has been executed for 594.84 acres out of 987.93 acres.
- (vii) Secured by Equitable mortgage, by way of first charge, by deposit of the title deeds of the immovable properties pertaining to Meja Thermal Power Project. Deed of Hypothecation for all present and future movable assets of Meja Urja Nigam Private Limited has also been executed with the Security Trustee and the Indenture of Mortgage with the Security Trustee has been registered with appropriate authority.
- (viii) Secured by a first priority charge on all assets of the Nabinagar Power Generating Company Pvt.Ltd., present and future, movable and immovable through a deed of hypothecation and simple mortgage of land.
- (ix) Secured by first charge on all movable and immovable, present and future assets of the NTPC Tamilnadu Energy Company Ltd.

X Security cover mentioned at sl. no. I to IX is above 100% of the debt securities outstanding.

5. Short-term borrowings

	₹ Crore	
As at	31.03.2014	31.03.2013
Loans repayable on demand		
From Banks		
Secured		
Cash Credit	433.64	382.16
Total #	<u>433.64</u>	<u>382.16</u>

Includes ₹ 361.01 crore (previous year ₹ 347.12 crore) share of jointly controlled entities.

- a) Includes cash credit secured by hypothecation of stock in trade, book debts of Stage-I of Kanti Bijlee Utpadan Nigam Ltd. with floating rate of interest linked to the bank's base rate.
- b) Includes borrowings secured by way of first pari-passu charge along with Power Finance Corporation Ltd. on the fixed assets, revenue and receivables of Aravali Power Company Pvt. Ltd.. Rate of interest is applicable at the base rate of the respective banks.
- c) Includes cash credit secured by charge on spares, present and future stock of coal and fuel at various places of NTPC Tamilnadu Energy Company Limited and Debtors with floating rate of interest linked to bank's base rate.
- d) There has been no default in payment of principal and interest as at the end of the year.

6. Deferred tax liabilities (net)

₹ Crore

	As at 01.04.2013	Additions/ (Adjustments) during the year	As at 31.03.2014
Deferred tax liability			
Difference of book depreciation and tax depreciation	6,519.89	392.76	6,912.65
Less: Deferred tax assets			
Provisions & other disallowances for tax purposes	789.64	(12.08)	777.56
Disallowances u/s 43B of the Income Tax Act, 1961	334.13	59.00	393.13
	<u>5,396.12</u>	<u>345.84</u>	<u>5,741.96</u>
Less: Recoverable from beneficiaries	4,315.40	187.25	4,502.65
Total #	<u>1,080.72</u>	<u>158.59</u>	<u>1,239.31</u>

Includes ₹ 187.26 crore (previous year ₹ 183.23 crore) share of jointly controlled entities.

- The net increase during the year in the deferred tax liability of ₹ 158.59 crore (previous year ₹ 316.23 crore) has been debited to Statement of Profit and Loss.
- Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

7. Other long-term liabilities

	₹ Crore	
As at	31.03.2014	31.03.2013
Trade payables	6.00	6.83
Deferred foreign currency fluctuation liability	151.99	135.60
Other liabilities		
Payable for capital expenditure	2,853.96	2,070.39
Others	69.63	4.84
Total #	3,081.58	2,217.66

Includes ₹ 156.35 crore (previous year ₹ 21.36 crore) share of jointly controlled entities.

- a) In line with accounting policy no.L.3 deferred foreign currency fluctuation liability to the extent of ₹ 16.39 crore (previous year ₹ 1.17 crore) has been made during the year.
- b) Other liabilities - Others include deposits received from contractors, customers and other parties.

8. Long-term provisions

	₹ Crore	
As at	31.03.2014	31.03.2013
Provision for		
Employee benefits	886.71	752.48
Contractual obligations	10.09	8.72
Total #	896.80	761.20

Includes ₹ 17.44 crore (previous year ₹ 21.26 crore) share of jointly controlled entities.

- a) Disclosure required by AS 15 on 'Employee Benefits' has been made in Note-40.
- b) Disclosure required by AS 29 on 'Provisions, Contingent Liabilities and Contingent Assets' has been made in Note-48.

9. Trade payables

	₹ Crore	
As at	31.03.2014	31.03.2013
For goods and services [#]	<u>7,427.70</u>	<u>5,862.29</u>

[#] Includes ₹ 287.98 crore (previous year ₹ 237.30 crore) share of jointly controlled entities.

10. Other current liabilities

As at	31.03.2014	31.03.2013
		₹ Crore
Current maturities of long term borrowings		
Bonds-Secured	593.00	693.00
From Banks		
Secured		
Rupee term loans	310.00	192.87
Unsecured		
Foreign currency loans	257.84	233.59
Rupee term loans	1,764.06	1,759.13
From Others		
Secured		
Rupee term loans	395.34	357.82
Foreign currency loan (guaranteed by GOI)	-	96.44
Unsecured		
Foreign currency loans (guaranteed by GOI)	173.40	171.73
Other foreign currency loans	393.67	576.19
Rupee term loans	1591.23	1367.73
Fixed deposits	0.43	0.11
	<u>5,478.97</u>	<u>5,448.61</u>
Current maturities of finance lease obligations-Secured	0.07	0.29
Interest accrued but not due on borrowings	811.80	670.55
Interest accrued and due on borrowings	47.87	-
Unpaid dividends	14.21	15.67
Unpaid matured deposits and interest accrued thereon	0.22	0.20
Unpaid matured bonds and interest accrued thereon	0.58	0.59
Unpaid bond refund money-Tax free bonds	0.52	-
Book overdraft	3.07	20.88
Advances from customers and others	508.10	424.50
Payable for capital expenditure	5,279.85	4,218.05
Other payables		
Tax deducted at source and other statutory dues	255.49	195.45
Deposits from contractors and others	952.28	1,264.91
Gratuity obligations	30.10	93.12
Payable to employees	288.68	468.81
Others	551.63	343.44
Total #	<u><u>14,223.44</u></u>	<u><u>13,165.07</u></u>

Includes ₹ 1,640.00 crore (previous year ₹ 1,490.20 crore) share of jointly controlled entities.

10. Other current liabilities

- a) Details in respect of rate of interest and terms of repayment of secured and unsecured current maturities of long term borrowings indicated above are disclosed in Note 4.
- b) Interest accrued and due on borrowings pertains to one of the Joint Venture Companies. Refer Note 4 d).
- c) Unpaid dividends, matured deposits and bonds including the interest accrued thereon include the amounts which have either not been claimed by the investors/holders of the equity shares/bonds/fixed deposits or are on hold pending legal formalities etc. Out of the above, no amount is due for payment to investor education and protection fund.
- d) Payable for capital expenditure includes liabilities of **₹ 165.11 crore** (previous year ₹ 378.77 crore) towards an equipment supplier pending evaluation of performance and guarantee test results of steam/turbine generators at some of the stations. Pending settlement, liquidated damages recoverable for shortfall in performance of these equipments, if any, have not been recognised.
- e) Other payables - Others include amount payable to hospitals, retired employees etc.

11. Short-term provisions

	₹ Crore	
As at	31.03.2014	31.03.2013
Provision for		
Employee benefits	1,088.52	1,429.83
Proposed dividend	1,491.06	1,718.27
Tax on proposed dividend	253.41	291.99
Obligations incidental to land acquisition	3,001.72	2,228.72
Tariff adjustment	1,293.69	1,333.29
Shortage in fixed assets pending investigation	6.17	1.09
Others	440.56	285.83
Total #	<u>7,575.13</u>	<u>7,289.02</u>

Includes ₹ 146.50 crore (previous year ₹ 155.18 crore) share of jointly controlled entities.

- a) Disclosure required by AS 15 on 'Employee Benefits' has been made in Note 40.
- b) Disclosure required by AS 29 on 'Provisions, Contingent Liabilities and Contingent Assets' has been made in Note 48.
- c) The Company aggrieved over many of the issues as considered by the CERC in the tariff orders for its stations for the period 2004-09 had filed appeals with the Appellate Tribunal for Electricity (APTEL). The APTEL disposed off the appeals favourably directing the CERC to revise the tariff orders as per directions and methodology given. Some of the issues decided in favour of the Company by the APTEL were challenged by the CERC in the Hon'ble Supreme Court of India. Subsequently, the CERC has issued revised tariff orders for all the stations except one for the period 2004-09, considering the judgment of APTEL subject to disposal of appeals pending before the Hon'ble Supreme Court of India. Towards the above and other anticipated tariff adjustments, provision of ₹ 122.96 crore (previous year ₹ 166.35 crore) has been made during the year and in respect of some of the stations, an amount of ₹ 162.56 crore (previous year ₹ 63.11 crore) has been written back.
- d) Other provisions include ₹ 53.64 crore (previous year ₹ 46.27 crore) towards cost of unfinished minimum work programme demanded by the Ministry of Petroleum and Natural Gas (MoP&NG) including interest thereon in relation to block AA-ONN-2003/2 [Refer Note 31 C (ii)] and ₹ 378.52 crore (previous year ₹ 200.84 crore) towards provision for litigation cases.

12. Tangible assets

₹ Crore

	Gross Block				Depreciation/Amortisation				Net Block	
	As at 01.04.2013	Additions	Deductions/ Adjustments	As at 31.03.2014	Upto 01.04.2013	For the year	Deductions/ Adjustments	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
Land (including development expenses)										
Freehold	5,203.64	761.20	(994.28)	6,959.12	-	-	-	-	6,959.12	5,203.64
Leasehold	1,529.13	838.46	(71.74)	2,439.33	173.86	268.38	(2.16)	444.40	1,994.93	1,355.27
Roads, bridges, culverts & helipads	638.27	92.51	(10.93)	741.71	206.89	27.24	0.08	234.05	507.66	431.38
Buildings										
Freehold										
Main plant	5,087.31	313.51	(18.36)	5,419.18	1,396.68	157.04	2.99	1,550.73	3,868.45	3,690.63
Others	2,636.65	255.71	(40.36)	2,932.72	990.20	111.28	(2.64)	1,104.12	1,828.60	1,646.45
Leasehold	51.61	-	0.02	51.59	27.74	1.90	-	29.64	21.95	23.87
Temporary erection	38.17	2.89	0.11	40.95	35.35	1.88	0.20	37.03	3.92	2.82
Water supply, drainage & sewerage system	688.82	37.05	(3.91)	729.78	322.15	23.08	0.09	345.14	384.64	366.67
MGR track and signalling system	1,355.56	33.52	(19.37)	1,408.45	635.88	49.20	-	685.08	723.37	719.68
Railway siding	497.71	153.38	(1.92)	653.01	179.73	28.92	0.06	208.59	444.42	317.98
Earth dam reservoir	337.19	0.16	(1.72)	339.07	111.84	16.79	-	128.63	210.44	225.35
Plant and equipment										
Owned	93,336.04	10,538.42	(3,042.35)	1,06,916.81	36,654.71	4,609.21	210.72	41,053.20	65,863.61	56,681.33
Leased	-	60.00	-	60.00	-	1.06	-	1.06	58.94	-
Furniture and fixtures	444.02	40.01	1.88	482.15	254.85	19.04	1.55	272.34	209.81	189.17
Vehicles including speedboats										
Owned	11.61	1.95	1.54	12.02	6.08	0.82	1.20	5.70	6.32	5.53
Leased	2.33	-	1.74	0.59	2.02	0.22	1.70	0.54	0.05	0.31
Office equipment	164.09	21.43	2.70	182.82	79.21	10.98	2.31	87.88	94.94	84.88
EDP, WP machines and satcom equipment	402.62	24.42	13.61	413.43	275.47	28.18	12.22	291.43	122.00	127.15
Construction equipments	175.36	14.11	(2.10)	191.57	90.77	11.18	1.47	100.48	91.09	84.59
Electrical installations	415.99	42.26	(6.61)	464.86	166.43	17.08	0.50	183.01	281.85	249.56
Communication equipments	98.34	7.63	(0.24)	106.21	53.47	5.15	0.71	57.91	48.30	44.87
Hospital equipments	32.51	4.37	0.36	36.52	16.27	1.24	0.22	17.29	19.23	16.24
Laboratory and workshop equipments	53.00	9.55	(0.12)	62.67	15.28	2.53	0.04	17.77	44.90	37.72
Assets under 5 KM scheme of the GOI	0.53	86.24	(13.03)	99.80	0.01	20.66	-	20.67	79.13	0.52
Capital expenditure on assets not owned by the Company	225.30	38.74	4.55	259.49	152.57	16.82	-	169.39	90.10	72.73
Assets of Government	2.81	-	-	2.81	-	-	-	-	2.81	2.81
Less: Grants from Government	2.81	-	-	2.81	-	-	-	-	2.81	2.81
Assets created from fly ash utilisation fund	-	0.49	(4.09)	4.58	-	-	-	-	4.58	-
Less: set off against fly ash utilisation fund	-	0.49	(4.09)	4.58	-	-	-	-	4.58	-
Total #	1,13,425.80	13,377.52	(4,200.53)	1,31,003.85	41,847.46	5,429.88	231.26	47,046.08	83,957.77	71,578.34
Previous year	88,553.19	22,624.73	(2,247.88)	1,13,425.80	37,639.72	4,323.29	115.55	41,847.46	71,578.34	50,913.47

Netblock includes ₹ 11,204.26 crore (previous year ₹ 8,270.35 crore) share of jointly controlled entities.

a) The conveyancing of the title to **11,666 acres** of freehold land of value ₹ **2,614.90 crore** (previous year 12,211 acres of value ₹ 1,788.36 crore), buildings & structures of value ₹ **61.27 crore** (previous year ₹ 136.74 crore) and also execution of lease agreements for **11,071 acres** of land of value ₹ **749.88 crore** (previous year 10,703 acres, value ₹ 476.70 crore) in favour of the Company are awaiting completion of legal formalities.

- b) Leasehold land includes **818 acres** valuing ₹ **29.67 crore** (previous year 2,002 acres valuing ₹ 642.07 crore) acquired on perpetual lease and accordingly not amortised.
- c) Land does not include value of **33 acres** (previous year 1,181 acres) of land in possession of the Company. This will be accounted for on settlement of the price thereof by the State Government Authorities.
- d) Land includes **1,523 acres** of value ₹ **173.82 crore** (previous year 1,233 acres of value ₹ 14.99 crore) not in possession of the Company. The Company is taking appropriate steps for repossession of the same.
- e) Land includes an amount of ₹ **168.41 crore** (previous year ₹ 152.48 crore) deposited with various authorities in respect of land in possession which is subject to adjustment on final determination of price.
- f) Possession of land measuring **98 acres** (previous year 98 acres) consisting of **79 acres** of freehold land (previous year 79 acres) and **19 acres** of lease hold land (previous year 19 acres) of value ₹ **0.21 crore** (previous year ₹ 0.21 crore) was transferred to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (erstwhile UPSEB) for a consideration of ₹ **0.21 crore**. Pending approval for transfer of the said land, the area and value of this land has been included in the total land of the Company. The consideration received from erstwhile UPSEB is disclosed under Note -10 - 'Other Current Liabilities -as other liabilities'.
- g) Ministry of Power, Government of India vide its notification no. 2/38/99-BTPS (Volume VII) dated 22nd September 2006 transferred land of a power station to the Company on operating lease of 50 years. Lease rent for the year amounting to ₹ **6.24 crore** (previous year ₹ 6.20 crore) has been charged to the Statement of Profit & Loss.
- h) During the year, the accounting of 'Expenditure towards diversion of forest land' disclosed under Capital Work-in-progress (Note-13) was reviewed considering the status of lease agreements entered with various state authorities. Consequently, an amount of ₹ 233.70 crore has been classified as Tangible Assets-Leasehold land and amortised from the effective date of commencement of lease.
- i) The Company has received an opinion from the EAC of the ICAI on accounting treatment of capital expenditure on assets not owned by the Company wherein it was opined that such expenditure are to be charged to the Statement of Profit & Loss as and when incurred. The Company has represented that such expenditure being essential for setting up of a project, the same be accounted in line with the existing accounting practice and sought a review. Pending receipt of communication from ICAI regarding the review, existing treatment has been continued as per the relevant accounting policy.
- j) Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the generation plants of the Company in terms of Ministry of Power (MOP), Government of India scheme.
- k) From the accounting periods commencing on or after 7th December 2006, the Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items relating to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset.
- l) Refer Note 44 (a) (ii) regarding plant and equipment under finance lease.
- m) The borrowing costs capitalised during the year ended 31st March 2014 is ₹ **3,158.17 crore** (previous year ₹ 2,718.48 crore). The Company capitalised the borrowings costs in the capital work-in-progress (CWIP). Exchange differences capitalised are disclosed in the 'Addition' column of CWIP and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustment' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustments' column of fixed assets. Asset-wise details of exchange differences and borrowing costs included in the cost of major heads of fixed assets and CWIP through 'Addition' or 'Deductions/Adjustments' column are given below:

	₹ Crore		₹ Crore	
	For the year ended 31st March 2014		For the year ended 31st March 2013	
	Exch. difference incl in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP	Exch. difference incl in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP
Buildings				
Main plant	5.90	197.64	2.15	165.89
Others	0.92	65.20	0.18	33.92
Hydraulic works, barrages, dams, tunnels and power channel	-	302.47	-	194.24
MGR track and signalling system	0.03	19.18	-	12.82
Railway siding	0.03	22.93	0.03	18.42
Plant and equipment	1,152.13	2,244.18	655.55	1,906.36
Others including pending allocation	723.73	306.57	398.10	386.83
Total	1,882.74	3,158.17	1,056.01	2,718.48

Intangible assets

₹ Crore

	Gross Block				Amortisation				Net Block	
	As at 01.04.2013	Additions	Deductions/ Adjustments	As at 31.03.2014	Upto 01.04.2013	For the year	Deductions/ Adjustments	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
Software	98.44	2.78	(0.02)	101.24	93.50	3.41	-	96.91	4.33	4.94
Right of Use- Land	49.06	5.17	3.87	50.36	4.89	2.97	(0.19)	8.05	42.31	44.17
- Others	229.85	-	(7.82)	237.67	25.21	9.51	-	34.72	202.95	204.64
Total #	377.35	7.95	(3.97)	389.27	123.60	15.89	(0.19)	139.68	249.59	253.75
Previous year	326.24	44.53	(6.58)	377.35	108.84	14.53	(0.23)	123.60	253.75	217.40

Net block includes ₹ 8.54 crore (previous year ₹ 5.01 crore) share of jointly controlled entities.

- The right of use of land & others are amortized over the period of legal right to use or life of the related plant, whichever is less.
- Right to use –land includes ₹ 44.49 crore (previous year ₹ 43.18 crore) and right to use-others includes ₹ 234.15 crore (previous year ₹ 226.33 crore) which are amortised over a period of more than ten years considering the useful life of these assets as per the related agreements / arrangements.
- During the year, the accounting of 'Expenditure towards diversion of forest land' disclosed under Capital Work-in-progress (Note-13) was reviewed considering the status of lease agreements entered with various state authorities. Consequently, an amount of ₹ 0.31 crore has been classified as Intangible Assets-Right of use-Land and amortised from the effective date of diversion.
- Cost of acquisition of the right for drawl of water amounting to ₹ 234.15 crore (previous year ₹ 226.33 crore) is included under intangible assets – Right of use - Others.

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

	₹ Crore	
	31.03.2014	31.03.2013
Charged to Statement of Profit and Loss	4,769.99	3,823.22
Allocated to the fuel cost	266.41	216.33
Transferred to expenditure during construction period (net) - Note 28	273.56	41.37
Transferred to development of coal mines	1.33	1.20
Adjustment with deferred income/expense from deferred foreign currency fluctuation	134.48	255.70
	5,445.77	4,337.82

13. Capital work-in-progress

	₹ Crore				
	As at 01.04.2013	Additions	Deductions/ Adjustments	Capitalised	As at 31.03.2014
Development of land	579.25	302.56	67.00	-	814.81
Roads, bridges, culverts & helipads	89.10	122.99	(39.67)	92.51	159.25
Piling and foundation	901.27	95.88	170.82	-	826.33
Buildings					
Main plant	2,078.87	1,358.43	130.02	313.51	2,993.77
Others	735.41	490.59	32.34	255.71	937.95
Temporary erection	6.85	39.66	10.51	2.89	33.11
Water supply, drainage and sewerage system	64.43	43.89	7.04	35.88	65.40
Hydraulic works, barrages, dams, tunnels and power channel	4,096.10	753.09	93.33	-	4,755.86
MGR track and signalling system	317.05	94.91	29.99	33.52	348.45
Railway siding	367.15	169.23	81.67	153.38	301.33
Earth dam reservoir	50.53	5.47	5.61	0.16	50.23
Plant and equipment	31,632.21	14,779.41	1,630.17	10,373.70	34,407.75
Furniture and fixtures	11.99	23.70	(2.67)	18.75	19.61
Vehicles	0.64	0.21	0.41	0.24	0.20
Office equipment	3.32	6.07	1.69	4.00	3.70
EDP/WP machines & satcom equipment	4.31	1.82	0.17	3.83	2.13
Construction equipments	0.11	0.43	0.01	-	0.53
Electrical installations	152.51	126.83	(1.25)	39.40	241.19
Communication equipments	3.08	1.84	1.32	1.52	2.08
Hospital equipments	0.15	0.34	-	0.15	0.34
Laboratory and workshop equipments	0.16	0.37	0.02	0.14	0.37
Assets under 5 KM scheme of the GOI	58.23	40.79	0.28	86.25	12.49
Capital expenditure on assets not owned by the company	33.26	55.53	(3.15)	33.91	58.03
Exploratory wells-in-progress	7.64	-	7.64	-	-
Development of coal mines	376.16	260.37	-	-	636.53
	<u>41,569.78</u>	<u>18,774.41</u>	<u>2,223.30</u>	<u>11,449.45</u>	<u>46,671.44</u>
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	335.55	88.04	27.40	-	396.19
Difference in exchange on foreign currency loans	851.36	947.50	298.61	-	1,500.25
Expenditure towards diversion of forest land	234.00	-	234.00	-	-
Pre-commissioning expenses (net)	100.39	399.03	361.26	-	138.16
Expenditure during construction period (net)	632.24	4,493.44 *	(168.57)	-	5,294.25
Less: Allocated to related works	-	4,664.77	-	-	4,664.77
	<u>43,723.32</u>	<u>20,037.65</u>	<u>2,976.00</u>	<u>11,449.45</u>	<u>49,335.52</u>
Less: Provision for unserviceable works	71.44	6.63	8.84	-	69.23
Construction stores (net of provision)	<u>2,901.48</u>	<u>1,651.38</u>	<u>-</u>	<u>-</u>	<u>4,552.86</u>
Total #	<u><u>46,553.36</u></u>	<u><u>21,682.40</u></u>	<u><u>2,967.16</u></u>	<u><u>11,449.45</u></u>	<u><u>53,819.15</u></u>
Previous year	50,396.99	16,375.87	(21.53)	20,241.03	46,553.36

Includes ₹ 2,944.28 crore (previous year ₹ 5,242.45 crore) share of jointly controlled entities.

* Brought from expenditure during construction period (net) - Note 28

- Construction stores are net of provision for shortages pending investigation amounting to ₹ 0.27 crore (previous year ₹ 0.63 crore).
- Pre-commissioning expenses for the year amount to ₹ 436.68 crore (previous year ₹ 672.32 crore) and after adjustment of pre-commissioning sales of ₹ 37.65 crore (previous year ₹ 300.68 crore) resulted in net pre-commissioning expenditure of ₹ 399.03 crore (previous year ₹ 371.64 crore).
- Additions to the development of coal mines includes expenditure during construction period of ₹ 260.37 crore (previous year ₹ 96.42 crore).
- Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the generation plants of the Company in terms of Ministry of Power (MOP), Government of India scheme.
- During the year, the accounting of 'Expenditure towards diversion of forest land' was reviewed considering the status of lease agreements entered with various state authorities. Consequently, an amount of ₹ 233.70 crore has been classified as Tangible Assets-Leasehold land and an amount of ₹ 0.31 crore has been classified under Intangible Assets-Right of use-Land, in Note 12.

13. Capital work-in-progress

	₹ Crore				
	As at 01.04.2013	Additions	Deductions/ Adjustments	Capitalised	As at 31.03.2014
Intangible Assets Under Development					
Software	1.28	2.55	1.29	-	2.54
License fee for technical colabration	-	-	(1.34)	-	1.34
Exploratory wells-in-progress	-	1.91	(7.66)	-	9.57
	1.28	4.46	(7.71)	-	13.45
Less: Provision for unserviceable works	-	-	(7.64)	-	7.64
Total #	1.28	4.46	(0.07)	-	5.81
Previous year	1.27	0.05	0.04	-	1.28

Includes ₹ 3.88 crore (previous year ₹ 1.28 crore) share of jointly controlled entities.

14. Non-current Investments

₹ Crore

As at			31.03.2014	31.03.2013
	Number of shares/bonds/ securities	Face value per share/bond/ security		
	Current year/ (previous year)	Current year/ (previous year) (₹)		
Long term-Trade				
Equity Instruments (fully paid up-unless otherwise stated)				
Quoted				
PTC India Ltd.	12000000 (12000000)	10 (10)	12.00	12.00
			<u>12.00</u>	<u>12.00</u>
Cooperative societies				
			*	*
Bonds (fully paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of				
Andhra Pradesh	1260650 (2521300)	1000 (1000)	126.07	252.13
Assam	51464 (102928)	1000 (1000)	5.15	10.29
Bihar	1894400 (3788800)	1000 (1000)	189.44	378.88
Chattisgarh	483220 (966440)	1000 (1000)	48.32	96.64
Gujarat	837240 (1674480)	1000 (1000)	83.72	167.45
Haryana	1075000 (2150000)	1000 (1000)	107.50	215.00
Himachal Pradesh	33388 (66776)	1000 (1000)	3.34	6.68
Jammu and Kashmir	367360 (734720)	1000 (1000)	36.74	73.47
Jharkhand	960136 (1920256)	1000 (1000)	96.01	192.03
Kerala	1002400 (2004800)	1000 (1000)	100.24	200.48
Madhya Pradesh	830840 (1661680)	1000 (1000)	83.08	166.17
Maharashtra	381400 (762800)	1000 (1000)	38.14	76.28
Orissa	1102874 (2205748)	1000 (1000)	110.29	220.57
Punjab	346230 (692460)	1000 (1000)	34.62	69.25
Rajasthan	290000 (435000)	1000 (1000)	29.00	43.50
Sikkim	34196 (68392)	1000 (1000)	3.42	6.84
Uttar Pradesh	3989900 (7979800)	1000 (1000)	398.99	797.98
Uttaranchal	399650 (799300)	1000 (1000)	39.97	79.93
West Bengal	1174248 (2348496)	1000 (1000)	117.42	234.85
			<u>1,651.46</u>	<u>3,288.42</u>
Total#			<u>1,663.46</u>	<u>3,300.42</u>

Share of jointly controlled entities is Nil (previous year Nil).

14. Non-current Investments

	₹ Crore	
As at	31.03.2014	31.03.2013
Quoted investments		
Book value	12.00	12.00
Market value	81.36	71.94
Unquoted investments		
Book value	1,651.46	3,288.42

Investments have been valued considering the accounting policy no. J.

* Equity shares of ₹ 30,200/- (previous year ₹ 30,200/-) held in various employee co-operative societies.

15. Long-term loans and advances (Considered good, unless otherwise stated)

As at	31.03.2014	₹ Crore 31.03.2013
Capital Advances		
Secured	26.56	62.90
Unsecured		
Covered by Bank Guarantee	5,266.24	4,725.28
Others	4,374.53	3,281.30
Considered doubtful	2.59	2.54
Less: Allowance for bad & doubtful advances	2.59	2.54
	9,667.33	8,069.48
Security deposits (unsecured)	147.05	93.86
Loans		
Related parties		
Unsecured	0.01	0.03
Employees (including accrued interest)		
Secured	405.97	400.27
Unsecured	144.58	144.14
Loan to state government in settlement of dues from customers (unsecured)	143.59	239.31
Others		
Secured	40.00	14.29
Unsecured	0.59	-
Doubtful	0.22	-
Less: Allowance for bad & doubtful loans	0.22	-
	734.74	798.04
Advances		
Unsecured		
Contractors & Suppliers, including material issued on loan	623.78	92.18
Others	2.03	0.18
	625.81	92.36
Advance tax deposit & tax deducted at source	9,932.14	11,932.58
Less: Provision for current tax	7,044.34	10,036.37
	2,887.80	1,896.21
MAT credit recoverable	86.20	106.72
Cenvat Credit / Service tax recoverable	2.18	1.94
Total #	14,151.11	11,058.61

Includes ₹ 906.21 crore (previous year ₹ 926.65 crore) share of jointly controlled entities.

- a) Capital advances include ₹ 252.22 crore (previous year ₹ 226.27 crore), paid to a contractor pending settlement of certain claims which are under arbitration. The amount will be adjusted in the cost of related work or recovered from the party, depending upon the outcome of the arbitration proceedings.
- b) Other loans (secured) represent loan given to Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC).

15A. Other non-current assets

	₹ Crore	
As at	31.03.2014	31.03.2013
Long term trade receivables		
Unsecured, considered good	11.67	9.33
Deferred foreign currency fluctuation asset	1,368.32	1,136.16
Claims recoverable	426.00	358.42
Total #	1,805.99	1,503.91

Includes ₹ 13.36 crore (previous year ₹ 10.53 crore) share of jointly controlled entities.

- a) In line with accounting policy no.L.3 (Note 1), deferred foreign currency fluctuation asset has been accounted and (-) ₹ 257.31 crore (previous year (-) ₹ 296.96 crore) being exchange fluctuations on account of foreign currency loans has been recognised as energy sales in Note 22.
- b) Claims recoverable represents the cost incurred upto 31st March 2014 in respect of one of the hydro power projects, the construction of which has been discontinued on the advice of the Ministry of Power, GOI. This includes ₹ 176.22 crore (previous year ₹ 109.65 crore) in respect of arbitration awards challenged/being challenged by the Company before High Court. In the event the High Court grants relief to the Company, the amount would be adjusted against Short Term Provisions - Others (Note 11). Management expects that the total cost incurred, anticipated expenditure on the safety and stabilisation measures, other recurring site expenses and interest costs as well as claims of contractors/vendors for various packages for this project will be compensated in full by the GOI. Hence, no provision is considered necessary. Also refer Note 21(c).

16. Current investments

As at			31.03.2014	₹ Crore 31.03.2013
	Number of bonds/ securities	Face value per bond/ security		
	Current year/ (previous year)	Current year/ (previous year)		
		(₹)		
Trade				
Current maturities of long term investments				
Bonds (fully-paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of				
Andhra Pradesh	1260650 (1260650)	1000 (1000)	126.07	126.07
Assam	51464 (51464)	1000 (1000)	5.15	5.15
Bihar	1894400 (1894400)	1000 (1000)	189.44	189.44
Chattisgarh	483220 (483220)	1000 (1000)	48.32	48.32
Gujarat	837240 (837240)	1000 (1000)	83.73	83.73
Haryana	1075000 (1075000)	1000 (1000)	107.50	107.50
Himachal Pradesh	33388 (33388)	1000 (1000)	3.34	3.34
Jammu and Kashmir	367360 (367360)	1000 (1000)	36.74	36.74
Jharkhand	960120 (960120)	1000 (1000)	96.01	96.01
Kerala	1002400 (1002400)	1000 (1000)	100.24	100.24
Madhya Pradesh	830840 (830840)	1000 (1000)	83.08	83.08
Maharashtra	381400 (381400)	1000 (1000)	38.14	38.14
Orissa	1102874 (1102874)	1000 (1000)	110.29	110.29
Punjab	346230 (346230)	1000 (1000)	34.62	34.62
Rajasthan	145000 (-)	1000 (-)	14.50	-
Sikkim	34196 (34196)	1000 (1000)	3.42	3.42
Uttar Pradesh	3989900 (3989900)	1000 (1000)	398.99	398.99
Uttaranchal	399650 (399650)	1000 (1000)	39.96	39.96
West Bengal	1174248 (1174248)	1000 (1000)	117.42	117.42
Total[#]			1,636.96	1,622.46

[#] Share of jointly controlled entities is Nil (previous year Nil).

Unquoted investments

Book value	1,636.96	1,622.46
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a) Investments have been valued considering the accounting policy no.J.

b) The above investments are unquoted and hence market value is not applicable.

17. Inventories

	₹ Crore	
As at	31.03.2014	31.03.2013
Coal	2,185.29	1,039.74
Fuel oil	371.89	400.27
Naphtha	166.82	146.77
Stores and spares	2,783.86	2,440.60
Chemicals & consumables	68.08	76.96
Loose tools	7.20	6.76
Steel Scrap	28.16	25.89
Others	450.25	503.86
	6,061.55	4,640.85
Less: Provision for shortages	2.26	2.56
Provision for obsolete/ unserviceable items/ diminution in value of surplus inventory	70.81	62.51
Total #	5,988.48	4,575.78

Includes ₹ 594.41 crore (previous year ₹ 495.57 crore) share of jointly controlled entities.

Inventories include material-in-transit, valued at cost

Coal	164.99	79.71
Stores and spares	47.78	31.56
Chemicals & consumables	0.83	0.62
Loose tools	0.27	0.05
Others	4.35	2.75
	218.22	114.69

- a) Inventory items, other than steel scrap have been valued considering the accounting policy no. K.1. Steel scrap has been valued at estimated realisable value.
- b) Inventories-Others include steel, cement, ash bricks etc.

18. Trade Receivables

	₹ Crore	
As at	31.03.2014	31.03.2013
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	455.33	204.12
Considered doubtful	0.03	0.03
Less: Allowance for bad & doubtful receivables	0.03	0.03
	455.33	204.12
 Others- Unsecured, considered good	 6,270.33	 5,892.03
 Total #	 6,725.66	 6,096.15

Includes ₹ 1,177.30 crore (previous year ₹ 517.53 crore) share of jointly controlled entities.

19. Cash and bank balances

₹ Crore

As at	31.03.2014	31.03.2013
Cash & cash equivalents		
Balances with banks		
Current accounts	165.29	389.91
Deposits with original maturity of upto three months	667.97	59.53
Cheques & drafts on hand	66.52	74.98
Balance with Reserve Bank of India	30.79	29.03
Others (stamps on hand)	0.08	0.09
	<u>930.65</u>	<u>553.54</u>
Other bank balances		
Deposits with original maturity of more than three months ^(a)	16,104.94	18,110.68
Others *	15.08	73.90
Total #	<u><u>17,050.67</u></u>	<u><u>18,738.12</u></u>

Includes ₹ 419.57 crore (previous year ₹ 533.54 crore) share of jointly controlled entities.

a) Includes bank deposits with original maturity of more than twelve months amounting to ₹ 6.07 crore (previous year ₹ 0.02 crore).

* Not available for use to the Company and include:

Unpaid dividend account balance	14.21	15.67
Unpaid refund account balance	0.52	-
Balance with Reserve Bank of India ^{##}	0.02	1.77
Security with government authorities	0.02	0.01
Margin money with banks	0.31	56.45
	<u>15.08</u>	<u>73.90</u>

Out of margin money kept with Reserve Bank of India in terms of Rule 3A of the Companies (Acceptance of Deposits) Rules, 1975 for fixed deposits from public.

20. Short-term loans and advances (Considered good, unless otherwise stated)

	₹ Crore	
As at	31.03.2014	31.03.2013
Loans		
Related parties		
Unsecured	0.09	0.04
Employees(including accrued interest)		
Secured	77.93	76.92
Unsecured	95.49	91.68
Loan to state government in settlement of dues from customers-		
Unsecured	95.73	95.73
Others		
Secured	10.00	35.71
Unsecured	0.06	-
	<u>279.30</u>	<u>300.08</u>
Advances		
Related parties		
Unsecured	3.54	4.08
Employees		
Unsecured	10.86	9.21
Considered doubtful	0.03	0.11
Contractors & suppliers, including material issued on loan		
Secured	-	6.71
Unsecured	1,908.24	605.88
Considered doubtful	2.33	1.53
Others		
Unsecured	132.70	131.95
Considered doubtful	1.03	1.03
Less: Allowance for bad & doubtful advances	3.39	2.67
	<u>2,055.34</u>	<u>757.83</u>
Security deposits (Unsecured)	896.55	660.43
Total #	<u>3,231.19</u>	<u>1,718.34</u>

Includes ₹ 200.87 crore (previous year ₹ 107.42 crore) share of jointly controlled entities.

- a) Other loans (secured) represent loan given to Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC).
- b) Other advances mainly represent prepaid expenses amounting to ₹ 64.92 crore (previous year ₹ 57.89 crore).
- c) Security deposit (unsecured) includes ₹ 211.92 crore (previous year ₹ 200.35 crore) sales tax deposited under protest with sales tax authorities.

21. Other current assets

	₹ Crore	
As at	31.03.2014	31.03.2013
Interest accrued on		
Bonds	174.24	243.19
Term deposits	621.02	875.02
Others	48.46	23.98
	<u>843.72</u>	<u>1,142.19</u>
Claims recoverable		
Unsecured, considered good	1,743.50	4,423.59
Considered doubtful	13.77	13.05
Less: Allowance for doubtful claims	13.77	13.05
	<u>1,743.50</u>	<u>4,423.59</u>
Unbilled revenue	7,148.37	6,127.57
Assets held for disposal	2.68	3.01
Others	15.20	13.08
Total #	<u><u>9,753.47</u></u>	<u><u>11,709.44</u></u>

Includes ₹ 247.59 crore (previous year ₹ 285.44 crore) share of jointly controlled entities.

- a) Others include amount recoverable from contractors and other parties towards hire charges, rent/electricity, etc.
- b) Unbilled revenue is net of credits to be passed to beneficiaries at the time of billing and includes ₹ 7,550.01 crore (previous year ₹ 6,508.72 crore) billed to the beneficiaries after 31st March for energy sales, sale of goods and services.
- c) Claims recoverable are net of the first phase amount of ₹ 536.30 crore, received from the GOI in September 2013 towards the cost incurred in respect of one of the hydro power projects which has been discontinued on the advice of Ministry of Power, GOI. Balance amount of ₹ 426.00 crore recoverable from the GOI is disclosed in Note 15A (b).

22. Revenue from operations (gross)

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Energy sales (including electricity duty)	78,618.65	70,654.25
Consultancy, project management and supervision fee (including turnkey construction projects)	451.51	401.67
Sale of goods (including excise duty)	78.30	126.69
	79,148.46	71,182.61
Energy internally consumed	87.08	93.17
Sale of fly ash and cenosphere [net of expenditure of ₹ 2.89 crore (previous year ₹2.34 crore)]	119.66	106.52
Less: Transferred to fly ash utilisation fund	119.66	106.52
	-	-
Other operating revenues		
Interest from customers	131.48	432.60
Recognized from deferred foreign currency fluctuation liability	1.56	3.52
Others	49.71	49.22
Provisions written back		
Tariff adjustment	162.56	63.11
Doubtful debts	-	840.67
Doubtful loans, advances and claims	0.06	0.33
Shortage in construction stores	0.80	1.12
Shortage in stores	1.49	0.71
Obsolescence in stores	2.26	1.30
Unserviceable capital works	1.21	0.90
Others	32.48	0.39
	200.86	908.53
Total[#]	79,619.15	72,669.65

[#] Includes ₹ 4,556.46 crore (previous year ₹ 3,642.66 crore) share of jointly controlled entities.

- a) The Central Electricity Regulatory Commission (CERC) notified the Tariff Regulations, 2009 in January 2009, and First, Second and Third Amendments thereto in May 2011, June 2011 and December 2012 respectively (Regulations, 2009). In line with the Regulations, 2009, the CERC has issued provisional/final tariff orders w.e.f. 1st April 2009 for all the stations except for four stations. Beneficiaries are billed in accordance with the said provisional/final tariff orders except for four stations where it is done on provisional basis. The amount billed for the year ended 31st March 2014 on this basis is ₹ 68,704.03 crore (previous year ₹ 61,794.68 crore).
- b) In respect of stations for which the CERC has issued final tariff orders under the Regulations, 2009 and Renewable Energy Regulations, 2009, sales have been recognised at ₹ 66,209.42 crore for the year ended 31st March 2014 (previous year ₹ 61,650.23 crore) after truing up capital expenditure to arrive at the capacity charges. For other stations, pending determination of station-wise final tariff by the CERC, sales have been provisionally recognised at ₹ 3,386.70 crore for the year ended 31st March 2014 (previous year ₹ 998.24 crore) on the basis of principles enunciated in the said Regulations, 2009 after truing-up capital expenditure to arrive at the capacity charges.
- c) Sales include ₹ 2,086.82 crore for the year ended 31st March 2014 (previous year ₹ 1,241.90 crore) pertaining to previous years recognized based on the orders issued by the CERC/Appellate Tribunal for Electricity (APTEL).

22. Revenue from operations (gross)

- d) Sales include (-) ₹ 269.99 crore for the year ended 31st March 2014 (previous year ₹ 246.04 crore) on account of income-tax recoverable from the beneficiaries as per Regulations, 2004. Sales also include ₹ 77.02 crore for the year ended 31st March 2014 (previous year ₹ 53.16 crore) on account of deferred tax materialized which is recoverable from beneficiaries as per Regulations, 2009.
- e) Electricity duty on energy sales amounting to ₹ 691.04 crore (previous year ₹ 564.35 crore) has been reduced from sales in the statement of profit and loss.
- f) Revenue from operations include ₹ 87.08 crore (previous year ₹ 93.17 crore) towards energy internally consumed, valued at variable cost of generation and the corresponding amount is included in power charges (Note 26).
- g) CERC Regulations provides that where after the truing-up, the tariff recovered is less/more than the tariff approved by the Commission, the generating Company shall recover/pay from/to the beneficiaries the under/over recovered amount along-with simple interest. Accordingly, the interest recoverable from the beneficiaries amounting to ₹ 131.48 crore (previous year ₹ 432.60 crore) has been accounted as 'Interest from customers'. Further, the amount payable to the beneficiaries has been accounted as 'Interest to customers' (Note 26).

23. Other income

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Interest from		
Long-term investments - Government securities (8.5% tax free bonds)	382.95	520.86
Others		
Loan to state government in settlement of dues from customers (8.5% tax free)	26.44	34.58
Loan to employees	31.20	29.21
Contractors	55.70	43.84
Deposits with banks / Reserve Bank of India	1,689.38	1,920.20
Income tax refunds	155.20	39.48
Less : Refundable to customers	80.53	0.02
	74.67	39.46
Others	9.12	9.36
Dividend from		
Long-term investments in		
Joint ventures	73.90	103.66
Current investments in		
Mutual funds	65.16	114.13
Other non-operating income		
Surcharge received from customers	92.61	88.67
Hire charges for equipment	3.14	4.35
Net gain in foreign currency transactions & translations	51.65	28.12
Sale of scrap	85.60	89.06
Liquidated damages recovered	12.89	11.82
Profit on redemption of current investments	28.53	-
Net gain on sale of current investments	3.15	0.18
Miscellaneous income	197.68	228.45
Profit on disposal of fixed assets	12.86	4.76
	2,896.63	3,270.71
Less: Transferred to expenditure during construction period (net)-Note 28	60.38	53.35
Transferred to development of coal mines	7.16	8.30
Transferred to deferred foreign currency fluctuation asset/liability	51.65	27.90
	2,777.44	3,181.16

Includes ₹ 48.17 crore (previous year ₹ 56.57 crore) share of jointly controlled entities.

Miscellaneous income includes income from township recoveries and receipts towards insurance claims.

24. Employee benefits expense

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Salaries and wages	3,556.61	3,549.75
Contribution to provident and other funds	1,013.77	566.81
Staff welfare expenses	466.36	373.11
	5,036.74	4,489.67
Less: Allocated to fuel cost	245.73	197.62
Transferred to fly ash utilisation fund	21.21	6.94
Transferred to development of coal mines	41.10	34.31
Transferred to expenditure during construction period (net)- Note 28	672.75	643.58
Total #	4,055.95	3,607.22

Includes ₹ 170.63 crore (previous year ₹ 138.06 crore) share of jointly controlled entities.

- a) Disclosures required by AS 15 in respect of provision made towards various employee benefits are made in Note 40.
- b) Salary and wages include special allowance paid by the Company to eligible employees serving in difficult and far flung areas w.e.f. 26th November 2008. As per the Office Memorandum dated 26th November 2008 of DPE relating to revision of pay scales w.e.f 1st January 2007, special allowance can be paid to such employees upto 10% of basic pay as approved by concerned administrative ministry. In line with the office memorandum dated 22nd June 2010 of DPE, Board of Directors has approved the Special Allowance (Difficult and Far Flung Areas) to eligible employees. The approval of MOP for the same is awaited.
- c) During the year, a defined contribution pension scheme of the Company has been implemented effective from 1st January 2007. Employee benefits expense for the year include ₹ 346.56 crore as additional contribution for the period from 1st January 2007 to 31st March 2013.

25. Finance costs

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Interest on		
Bonds	961.67	900.87
Foreign currency term loans	253.96	235.33
Rupee term loans	4,460.84	3,833.62
Public deposits	0.05	0.16
Foreign currency bonds/notes	521.77	345.91
Cash credit	4.46	21.01
Others	26.86	73.22
	6,229.61	5,410.12
Other borrowing costs		
Bonds servicing & public deposit expenses	2.34	2.38
Guarantee fee	33.97	40.19
Management/arrangers fee	16.41	36.24
Up-front fee	0.01	23.87
Foreign currency bonds/notes expenses	1.07	6.05
Insurance premium on foreign currency loans	85.39	27.39
Bond issue expenses	10.60	0.37
Others	4.76	2.91
	154.55	139.40
Exchange differences regarded as an adjustment to interest costs	-	(350.21)
	6,384.16	5,199.31
Less: Transferred to expenditure during construction period (net)-Note 28	3,103.05	2,672.25
Transferred to development of coal mines	78.04	46.52
Total[#]	3,203.07	2,480.54

[#] Includes ₹ 794.06 crore (previous year ₹ 557.26 crore) share of jointly controlled entities.

26. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Power charges	340.33	204.31
Less: Recovered from contractors & employees	<u>20.47</u>	18.88
	319.86	185.43
Water charges	471.59	508.16
Stores consumed	52.02	49.90
Rent	40.35	37.16
Less: Recoveries	<u>8.07</u>	7.84
	32.28	29.32
Load dispatch centre charges	146.11	42.41
Repairs & maintenance		
Buildings	197.57	181.08
Plant & machinery	2,024.64	1,924.26
Others	133.31	113.35
Insurance	130.75	111.61
Interest to customers	59.80	5.72
Rates and taxes	42.44	38.11
Water cess & environment protection cess	38.58	35.82
Training & recruitment expenses	29.67	26.05
Less: Receipts	<u>3.30</u>	1.60
	26.37	24.45
Communication expenses	47.90	48.82
Travelling expenses	214.27	198.82
Tender expenses	33.85	24.52
Less: Receipt from sale of tenders	<u>3.32</u>	3.11
	30.53	21.41
Payment to auditors	3.64	3.29
Advertisement and publicity	15.37	13.92
Security expenses	406.69	357.79
Entertainment expenses	15.64	15.09
Expenses for guest house	24.14	21.26
Less: Recoveries	<u>2.88</u>	2.75
	21.26	18.51
Education expenses	10.00	9.41
Brokerage & commission	3.22	3.47
Community development and welfare expenses	104.00	86.96
Less: Grants-in-aid	<u>0.93</u>	0.39
	103.07	86.57
Donation	0.22	0.14
Ash utilisation & marketing expenses	11.92	10.93
Less: Sale of ash products	<u>-</u>	0.04
	11.92	10.89
Directors sitting fee	0.47	0.35
Books and periodicals	3.02	2.72
Professional charges and consultancy fees	159.25	41.14

26. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Legal expenses	32.53	28.34
EDP hire and other charges	18.48	15.34
Printing and stationery	14.94	13.70
Oil & gas exploration expenses	3.41	8.78
Hiring of Vehicles	75.47	63.22
Rebate to customers	590.61	579.81
Reimbursement of L.C.charges on sales realisation	1.54	0.60
Bank charges	8.43	4.90
Net loss in foreign currency transactions & translations	22.57	6.11
Horticulture expenses	26.46	22.73
Hire charges of helicopter/aircraft	12.74	13.21
Hire charges of construction equipments	10.86	14.18
Transport vehicle running expenses	8.78	8.50
Miscellaneous expenses	61.72	54.27
Stores written off	2.33	0.14
Survey & investigation expenses written off	3.91	4.12
Loss on disposal/write-off of fixed assets	75.51	62.25
	5,692.08	4,982.16
Less: Allocated to fuel cost	312.03	285.83
Transferred to fly ash utilisation fund	23.67	11.27
Transferred to development of coal mines	129.63	13.62
Transferred to deferred foreign currency fluctuation asset/liability	6.84	2.30
Transferred to expenditure during construction period(net) - Note 28	505.67	395.58
	4,714.24	4,273.56
Provisions for		
Tariff adjustments	122.96	166.35
Doubtful loans, advances and claims	1.84	0.09
Shortage in stores	1.34	2.01
Obsolescence in stores	10.36	4.67
Shortage in construction stores	1.12	0.39
Unserviceable capital works	6.63	49.89
Unfinished minimum work programme for oil and gas exploration	7.36	5.08
Shortage in fixed assets	5.44	0.27
Arbitration cases	2.15	7.95
Others	1.34	35.63
	160.54	272.33
Total #	4,874.78	4,545.89

Includes ₹ 311.00 crore (previous year ₹ 256.79 crore) share of jointly controlled entities.

- a) Spares consumption included in repairs and maintenance 1,112.67 1,017.41
- b) CERC Regulations provides that where after the truing-up, the tariff recovered is more than the tariff approved by the Commission, the generating Company shall pay to the beneficiaries the over recovered amount along-with simple interest. Accordingly, the interest payable to the beneficiaries amounting to ₹ 59.37 crore (previous year ₹ 5.72 crore) has been accounted and disclosed as 'Interest to customers'.

27. Prior period items (Net)

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Revenue		
Sales	0.41	0.06
Others	0.96	8.58
	<u>1.37</u>	<u>8.64</u>
Expenditure		
Employee benefits expense	(0.94)	(5.13)
Finance costs		
Interest	-	(12.00)
Other borrowing costs	-	(7.91)
Depreciation and amortisation	3.73	3.93
Generation, administration and other expenses		
Repairs and maintenance	1.35	0.77
Others	7.90	(7.19)
	<u>12.04</u>	<u>(27.53)</u>
Net Expenditure/(Revenue)	10.67	(36.17)
Less: Transferred to expenditure during construction period (net)-Note 28	(1.21)	(3.11)
Transferred to deferred foreign currency fluctuation asset/liability	-	0.72
Transferred to development of coal mines	0.03	-
Total #	<u>11.85</u>	<u>(33.78)</u>

Includes (-) ₹ 0.99 crore (previous year ₹ 1.25 crore) share of jointly controlled entities.

28. Expenditure during construction period (net)

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
A. Employee benefits expense		
Salaries and wages	509.64	561.24
Contribution to provident and other funds	118.89	45.45
Staff welfare expenses	44.22	36.89
Total (A)	672.75	643.58
B. Finance costs		
Interest on		
Bonds	426.37	390.47
Foreign currency term loans	107.68	94.88
Rupee term loans	2,146.12	2,032.61
Foreign currency bonds/notes	284.19	222.88
Others	22.92	20.19
Other borrowing costs		
Foreign currency bonds/notes expenses	1.07	5.54
Management/arrangers/upfront fee	16.41	60.11
Insurance premium on foreign currency loans	85.39	27.39
Others	12.90	3.43
Exchange differences regarded as an adjustment to interest costs	-	(185.25)
Total (B)	3,103.05	2,672.25
C. Depreciation and amortisation	273.56	41.37
D. Generation, administration & other expenses		
Power charges	247.61	128.17
Less: Recovered from contractors & employees	2.22	1.92
	245.39	126.25
Water charges	1.76	11.19
Rent	7.58	5.85
Repairs & maintenance		
Buildings	7.86	9.25
Plant and machinery	3.68	0.97
Others	30.76	28.55
	42.30	38.77
Insurance	1.67	2.26
Rates and taxes	2.94	1.39
Communication expenses	6.85	7.61
Travelling expenses	42.77	40.49
Tender expenses	7.77	7.42
Less: Income from sale of tenders	0.01	0.10
	7.76	7.32
Payment to auditors	0.06	0.07
Advertisement and publicity	2.70	1.73
Security expenses	58.07	58.84

28. Expenditure during construction period (net)

	₹ Crore	
For the year ended	31.03.2014	31.03.2013
Entertainment expenses	2.95	2.77
Guest house expenses	5.24	5.33
Books and periodicals	0.88	0.93
Professional charges and consultancy fee	9.35	9.95
Legal expenses	6.06	5.55
EDP hire and other charges	1.54	1.54
Printing and stationery	1.84	1.61
Miscellaneous expenses	57.96	66.13
Total (D)	505.67	395.58
E. Less: Other income		
Hire charges for equipment	2.99	3.76
Sale of scrap	0.33	1.30
Interest from contractors	41.25	28.10
Interest others	3.79	6.32
Miscellaneous income	12.02	13.87
Total (E)	60.38	53.35
F. Prior period items (net)	(1.21)	(3.11)
Grand total (A+B+C+D-E+F) #	4,493.44 *	3,696.32

* Carried to capital work-in-progress - (Note 13)

Includes ₹ 537.14 crore (previous year ₹ 470.36 crore) share of jointly controlled entities.

29 Previous year figures have been regrouped /rearranged wherever considered necessary.

30 Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as other-wise stated. Certain amounts, which do not appear due to rounding off, are disclosed separately.

31 BASIS OF CONSOLIDATION

A. The consolidated financial statements relate to NTPC Ltd. (the Company), its Subsidiaries and interest in Joint Ventures, together referred to as 'Group'.

a) Basis of Accounting:

i) The financial statements of the Subsidiary Companies and Joint Ventures in the consolidation are drawn up to the same reporting date as of the Company for the purpose of consolidation.

ii) The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21 - 'Consolidated Financial Statements' and Accounting Standard (AS) 27 - 'Financial Reporting of Interest in Joint Ventures' of Companies (Accounting Standards) Rules, 2006 and generally accepted accounting principles.

b) Principles of consolidation:

The consolidated financial statements have been prepared as per the following principles:

i) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together of the like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions, unrealised profits or losses and minority interest have been separately disclosed.

ii) The consolidated financial statements include the interest of the Company in joint ventures, which has been accounted for using the proportionate consolidation method of accounting and reporting whereby the Company's share of each asset, liability, income and expense of a jointly controlled entity is considered as a separate line item.

iii) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except as otherwise stated in the notes to the accounts.

iv) The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries and joint ventures is identified in the financial statements as goodwill or capital reserve, as the case may be.

v) Minority interest in the net assets of consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders.

B. The Subsidiaries and Joint Venture Companies considered in the financial statements are as follows:

Name of the Company	Proportion (%) of Shareholding as on	
	31.03.2014	31.03.2013
Subsidiary Companies:		
1.NTPC Electric Supply Company Ltd.(including its 50% interest in KINESCO Power & Utilities Private Ltd. a joint venture with KINFRA, a statutory body of Government of Kerala)	100.00	100.00
2. NTPC Hydro Ltd. (refer note below) [§]	-	100.00
3. NTPC Vidyut Vyapar Nigam Ltd.*	100.00	100.00
4. Kanti Bijlee Utpadan Nigam Ltd.	65.00	65.00
5. Bhartiya Rail Bijlee Company Ltd.	74.00	74.00

Joint Venture Companies:	Proportion (%) of Shareholding as on	
	31.03.2014	31.03.2013
A. Incorporated in India		
1. Utility Powertech Ltd.	50.00	50.00
2. NTPC - Alstom Power Services Private Ltd.	50.00	50.00
3. NTPC-SAIL Power Company Private Ltd.	50.00	50.00
4. NTPC-Tamilnadu Energy Company Ltd.	50.00	50.00
5. Ratnagiri Gas & Power Private Ltd. *	32.86	33.41
6. Aravali Power Company Private Ltd.	50.00	50.00
7. NTPC-SCCL Global Ventures Private Ltd. *	50.00	50.00
8. Meja Urja Nigam Private Ltd.	50.00	50.00
9. NTPC - BHEL Power Projects Private Ltd. *	50.00	50.00
10. BF - NTPC Energy Systems Ltd.*	49.00	49.00
11. Nabinagar Power Generating Company Private Ltd.	50.00	50.00
12. National Power Exchange Ltd. * (refer note below) ^{§§}	16.67	16.67
13. International Coal Ventures Private. Ltd. * (refer note below) ^{§§§}	14.28	14.28
14. National High Power Test Laboratory Private Ltd.*	20.00	20.00
15. Transformers & Electricals Kerala Ltd.*	44.60	44.60
16. Energy Efficiency Services Ltd. *	25.00	25.00
17. CIL NTPC Urja Private Ltd. *	50.00	50.00
18. Anushakti Vidyut Nigam Ltd.	49.00	49.00
19. Pan-Asian Renewables Private Ltd. *	50.00	50.00
B. Incorporated outside India		
1. Trincomalee Power Company Ltd. * (incorporated in Srilanka)	50.00	50.00
2. Bangladesh -India Friendship Power Company Private Ltd.* (incorporated in Bangladesh)	50.00	50.00

* The financial statements are un-audited and certified by the management and have been considered for Consolidated Financial Statements of the Group. The figures appearing in their respective financial statements may change upon completion of their audit.

^S Ministry of Corporate Affairs (MCA) has accorded approval for the Scheme of Amalgamation of NTPC Hydro Ltd. (NHL), a wholly owned subsidiary of NTPC Ltd. engaged in the business of setting up small hydro power projects, with NTPC Ltd. effective from 18th December 2013. As per the Scheme and order of MCA, all assets and liabilities of NHL have been transferred to and vested in the Company w.e.f 1st April 2013. The Company followed Pooling of Interests Method to reflect the amalgamation. Consequent to the amalgamation, the shares of NHL held by the Company were cancelled and all assets and liabilities of NHL became the assets and liabilities of the Company. Since NHL was a wholly owned subsidiary of the Company, no issue of shares or payment towards purchase consideration was made and no goodwill or capital reserve was recognised on amalgamation.

^{SS} The Board of Directors of NTPC Limited in its meeting held on 7th November 2012 has accorded in principle approval for withdrawal from National Power Exchange Ltd. (NPEX) (a joint venture of the Company). In the meeting of Group of Promoters (GOP) held on 21st March 2014, GOP recommended for voluntary winding of NPEX and the same has been adopted by the Board of NPEX in its meeting held on 21st March 2014. Winding up of the Company is yet to take place.

^{SSS} The Board of Directors of NTPC Limited in its meeting held on 27th January 2012 has accorded in principle approval for withdrawal from International Coal Ventures Private Limited (a joint venture of the Company). Cabinet approval for the same is awaited, subsequent to which, the process of withdrawal shall commence.

- C. i) The Company along-with some public sector undertakings has entered into Production Sharing Contracts (PSCs) with GOI for three exploration blocks namely KG- OSN-2009/1, KG-OSN-2009/4 and AN-DWN-2009/13 under VIII round of New Exploration Licensing Policy (NELP VIII) with 10% participating interest (PI) in each of the blocks.

Based on the un-audited statement of the accounts for the above blocks forwarded by M/s Oil & Natural Gas Corporation Ltd. (ONGC), the operator, the Company's share in respect of assets and liabilities as at 31st March 2014 and expenditure for the year are given below:

₹ Crore		
Item	2013-14 (Un-audited)	2012-13 (Un-audited)
Expenses	2.94	2.28
Assets	1.89	0.06
Liabilities	2.96	1.43
Capital Commitments (Unfinished MWP)	65.76	91.49

The exploration activities in block KG-OSN-2009/4 were suspended w.e.f. 11.01.2012 due to non-clearance by the Ministry of Defence, GOI. Subsequently, DGH vide letter dated 29th April 2013 has informed ONGC that the block is cleared conditionally wherein block area is segregated between No Go zone, High-risk zone and Permitted zone. As the permitted area is only 38% of the total block area, the consortium has submitted proposal to DGH for downward revision of MWP of initial exploration period.

In case of AN-DWN-2009/13, Gujarat State Petroleum Corporation (GSPC) has submitted notice for withdrawal from the block subsequent to completion of MWP and ONGC has decided to acquire 10% PI of GSPC.

- ii) Exploration activities in the block AA-ONN-2003/2 were abandoned in January 2011 due to unforeseen geological conditions & withdrawal of the operator. Attempts to reconstitute the consortium to accomplish the residual exploratory activities did not yield result. In the meanwhile, Ministry of Petroleum & Natural Gas demanded in January 2011 the cost of unfinished minimum work programme from the consortium with NTPC's share being USD 7.516 million. During the year provision in this respect has been updated to ₹ 53.64 crore from ₹ 46.27 crore along with interest in the previous year. The Company has sought waiver of the claim citing force majeure conditions at site leading to discontinuation of exploratory activities.

The Company has accounted for expenditure of ₹ 0.01 crore for the year 2013-14 towards the establishment expenses of M/s Geopetrol International, the operator to complete the winding up activities of the Block. The Company's share in the assets and liabilities as at 31st March 2014 and expenditure for the year is as under:

Item	₹ Crore	
	2013-14 (Un-audited)	2012-13 (Un-audited)
Expenses	0.01	0.22
Assets	14.47	14.64
Liabilities	2.32	2.32
Contingent liabilities	50.71	41.42

- D. The company is of the view that the provisions of Accounting Standard (AS) 18 'Related Party Disclosures' and AS 27- 'Financial Reporting of Interests in Joint Ventures' are not applicable to the investment made in PTC India Ltd. and the same is not included in the consolidated financial statements.

- 32 a) Some of the balances of trade/other payables and loans and advances 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 fixed assets 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.
- 33 Due to variation in the Gross Calorific Value (GCV) of coal supplied by coal companies and received at power stations, the Company w.e.f. October/November 2012 released payments on the basis of GCV measured at station end and the difference between the amount billed by the coal companies and the amounts admitted by the Company ("disputed billed amount") were disclosed as contingent liability with corresponding possible reimbursements from the beneficiaries. The issue was taken up with the coal companies directly and through the Ministry of Power and Ministry of Coal, Govt. of India for resolution. This resulted in incorporation of a provision for "Third party sample collection, preparation, testing and analysis," at the loading end in place of joint sampling in the Coal Supply Agreement (CSA), 2012 and amendment to CSA, 2009 which have since been signed with subsidiaries of Coal India Ltd.

Based on the advice of Government of India, Board of Directors approved the modalities for extrapolation of the third party sample analysis results for the three month period starting October/November 2013 to the supplies during the past period from October/November 2012 till start of third party sampling. On this basis, settlement with some of the CIL subsidiaries has been reached and matter has been taken up with other CIL subsidiaries for early resolution. Following the principles approved by the Board, against the disputed billed amount of ₹ 4,102.87 crore, during the year the Company paid ₹ 1,438.69 crore and provided ₹ 1,440.39 crore. In respect of the balance disputed billed amount of ₹ 1,223.79 crore as at 31st March 2014, taking into account settlement already reached with some of the CIL Subsidiaries, an amount of ₹ 1,055.14 crore (previous year ₹ 2,531.10 crore) has been estimated as contingent liability with corresponding possible reimbursements from the beneficiaries {Refer Note 50 (a) (iii)} and remaining amount of ₹ 168.65 crore is considered as settled. Sales corresponding to variable charges recoverable for the amounts paid/provided as above have been recognized.

- 34 The levy of transit fee/entry tax on supplies of fuel to some of the power stations has been paid under protest as the matters are subjudice at various courts. In case the Company gets refund/demand from fuel suppliers/tax authorities on settlement of these cases, the same will be passed on to respective beneficiaries.
- 35 The environmental clearance ('clearance') granted by the Ministry of Environment and Forest, Government of India (MoEF) for one of the Company's projects was challenged before The National Green Tribunal (NGT). The NGT disposed the appeal, inter alia, directing that the order of clearance be remanded to the MOEF to pass an order granting or declining clearance to the project proponent afresh in accordance with the law and the judgment of the NGT and for referring the matter to the Expert Appraisal Committee ('Committee') for its re-scrutiny, which shall complete the process within six months from the date of NGT order. NGT also directed that the environmental clearance shall be kept in abeyance and the Company shall maintain status quo in relation to the project during the period of review by the Committee or till fresh order is passed by the MoEF, whichever is earlier. The Company filed an appeal challenging the NGT order before the Hon'ble Supreme Court of India which stayed the order of the NGT and the matter is sub-judice. Aggregate cost incurred on the project upto 31st March 2014 is ₹ **4,455.73 crore** (previous year ₹ 1,691.63 crore).
- 36 NTPC Vidyut Vyapar Nigam Ltd. (NVTN) inter-alia is engaged in sale of fly ash & cenosphere which are given by the company free of cost. Pursuant to the gazette notification D.O.S.O 2804(E) dated 3rd November 2009, issued by the Ministry of Environment and Forest (MOEF) GOI, the NVTN has created fly ash utilisation fund and a sum of ₹ **91.30 crore** (previous year ₹ 107.96 crore) has been credited to the fund during the year after netting of related/allocable cost of ₹ **48.27 crore** (previous year ₹ 20.60 crore) from the sale proceeds.

37 Disclosure as per Accounting Standard - 1 on 'Disclosure of Accounting Policies'

During the year, following changes in accounting policies have been made:

- a) Policy A "Basis of Preparation" has been amended to reflect that the financial statements have been prepared inter alia, in accordance with General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs and the Companies Act, 2013 (to the extent notified and applicable).
- b) Accounting of capital expenditure on assets not owned by the company for community development is disclosed in accounting policy D.4 instead of in M.a.10 for better presentation.
- c) Consequent to the revised guidance note on 'Accounting for Oil & Gas Producing Activities' issued by ICAI becoming effective from 1st April 2013, the policy to charge off exploratory wells-in-progress which have been found dry or not planned to be developed after two years from the date of completion of drilling has been modified and henceforth, such expenditure shall be charged off as and when the wells are determined to be dry/abandoned.

- d) Policy M.a.11 has been modified to state that leasehold land and buildings relating to generation of electricity business are fully amortised over the lease period or life of the related plant whichever is lower, to cover both hydro and thermal power plants.
- e) Policy H.5 and L.5 regarding accounting of derivative contracts and recovery of cost of hedging from the beneficiaries have been added consequent upon entering into derivative transactions for hedging as per the exchange risk management policy in the current year.
- f) In Policy N.1, contribution to pension fund has been included as an employee benefit following the implementation of a contributory pension scheme in the Company in the current year.
- g) Policy S "Taxes on Income" has been added for improved disclosures.

There is no impact on the accounts due to the above changes.

38 Disclosure as per Accounting Standard - 11 on 'Effects of Changes in Foreign Exchange Rates'

The effect of foreign exchange fluctuation during the year is as under:

- i) The amount of exchange differences (net) debited to the Statement of Profit & Loss is ₹ 15.73 crore (previous year debit of ₹ 3.59 crore).
- ii) The amount of exchange differences (net) debited to the carrying amount of Fixed Assets is ₹ 1,882.74 crore (previous year debit of ₹ 1,056.01 crore).

39 Disclosure as per Accounting Standard - 12 on 'Accounting for Government Grants'

Revenue grants recognised during the year is ₹ 0.93 crore (previous year ₹ 0.39 crore).

40 Disclosure as per Accounting Standard - 15 on 'Employee Benefits'

General description of various employee benefit schemes are as under:

A. Provident Fund

Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution of ₹ 238.30 crore (previous year ₹ 213.69 crore) to the funds for the year is recognised as expense and is charged to the Statement of Profit and Loss. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary. The details of fair value of plan assets and obligations are as under:

Particulars	₹ Crore	
	31.03.2014	31.03.2013
Obligations at the end of the year	5,463.94	4,755.00
Fair value of plan assets at the end of the year	5,515.53	4,812.77

B. Gratuity & Pension

(a) The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.10 crore on superannuation, resignation, termination, disablement or on death.

(b) The Company has pension schemes at two of its stations in respect of employees taken over from erstwhile state government power utilities.

The existing schemes stated at (a) and one of the power stations at (b) above are funded by the Company and are managed by separate trusts. The liability for gratuity and the pension schemes as above is recognised on the basis of actuarial valuation. The Company's best estimate of the contribution towards gratuity/pension for the financial year 2014-15 is ₹ 46.52 crore.

(c) During the year, a defined contribution pension scheme of the Company has been implemented effective from 1st January 2007, for its employees. The scheme is administered through a separate trust. The obligation of the Company is to contribute to the trust to the extent of amount not exceeding 30% of Basic Pay and dearness allowance less employer's contribution towards provident fund, gratuity, PRMF or any other retirement benefits.

C. Post-Retirement Medical Facility (PRMF)

The Company has Post-Retirement Medical Facility (PRMF), under which a retired employee and his / her spouse are provided medical facilities in the Company hospitals/empanelled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company. The liability for the same is recognised on the basis of actuarial valuation.

D. Terminal Benefits

Terminal benefits include baggage allowance for settlement at home town for employees & dependents and farewell gift to the superannuating employees. Further, the Company also provides for pension in respect of employees taken over from erstwhile State Government Power Utility at another station referred at B(b) above. The liability for the same is recognised on the basis of actuarial valuation.

E. Leave

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. Earned leave is en-cashable while in service. Half-pay leaves (HPL) are en-cashable only on separation beyond the age of 50 years up to the maximum of 240 days (HPL). However, total amount of leave that can be encashed on superannuation shall be restricted to 300 days and no commutation of half-pay leave shall be permissible. The liability for the same is recognised on the basis of actuarial valuation.

The above mentioned schemes (C, D and E) are unfunded and are recognised on the basis of actuarial valuation.

The summarised position of various defined benefits recognised in the Statement of Profit and Loss, Balance Sheet are as under:

(Figures given in { } are for previous year)

i) Expenses recognised in Statement of Profit & Loss

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Current Service Cost	70.40 {66.42}	15.60 {13.91}	55.04 {51.14}	6.14 {5.61}
Past Service Cost	- {-}	- {-}	- {-}	- {-}
Interest cost on benefit obligation	115.60 {103.92}	36.24 {29.69}	68.93 {59.70}	21.81 {18.36}
Expected return on plan assets	(100.89) {(93.42)}	- {-}	- {-}	- {-}
Net actuarial (gain)/ loss recognised in the year	-18.74 {48.29}	73.97 {51.09}	181.89 {185.46}	26.49 {30.21}
Expenses recognised in the Statement of Profit & Loss	66.37 {125.21}	125.81 {94.69}	305.86 {296.30}	54.44 {54.18}

ii) The amount recognised in the Balance Sheet

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 31.03.2014	1,531.56 {1,445.02}	562.04 {452.94}	942.20 {861.73}	312.98 {272.40}
Fair value of plan assets as at 31.03.2014	1,391.67 {1,263.83}	- {-}	- {-}	- {-}
Net liability recognised in the Balance Sheet	139.89 {181.19}	562.04 {452.94}	942.20 {861.73}	312.98 {272.40}

iii) Changes in the present value of the defined benefit obligations:

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 01.04.2013	1,445.04 {1,298.60}	452.95 {371.11}	861.74 {746.01}	272.39 {229.83}
Interest cost	115.60 {103.92}	36.24 {29.69}	68.93 {59.70}	21.81 {18.36}
Current Service Cost	70.40 {66.42}	15.60 {13.91}	55.04 {51.14}	6.14 {5.61}
Benefits paid	(95.27) {(81.65)}	(16.72) {(12.86)}	(225.40) {(180.58)}	(13.84) {(11.61)}
Net actuarial (gain)/ loss on obligation	-4.21 {57.73}	73.97 {51.09}	181.89 {185.46}	26.48 {30.21}
Present value of the defined benefit obligation as at 31.03.2014	1,531.56 {1,445.02}	562.04 {452.94}	942.20 {861.73}	312.98 {272.40}

iv) Changes in the fair value of plan assets:

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Fair value of plan assets as at 01.04.2013	1263.85 {1,169.90}	- {-}	- {-}	- {-}
Expected return on plan assets	100.89 {93.42}	- {-}	- {-}	- {-}
Contributions by employer	102.08 {68.05}	- {-}	- {-}	- {-}
Benefit paid	(89.67) {(76.98)}	- {-}	- {-}	- {-}
Actuarial gain / (loss)	14.52 {9.44}	- {-}	- {-}	- {-}
Fair value of plan assets as at 31.03.2014	1,391.67 {1,263.83}	- {-}	- {-}	- {-}

v) The effect of one percentage point increase/decrease in the medical cost of PRMF will be as under:

₹ Crore

Particulars	Increase by	Decrease by
Service and Interest cost	12.29	(5.62)
Present value of obligation	86.96	(71.67)

F. Other Employee Benefits

Provision for Long Service Award and Family Economic Rehabilitation Scheme amounting to ₹ 3.48 crore (previous year ₹ 3.39 crore) for the year have been made on the basis of actuarial valuation at the year end and debited to the Statement of Profit & Loss.

41 Disclosure as per Accounting Standard - 16 on 'Borrowing Costs'

Borrowing costs capitalised during the year are ₹ 3,158.17 crore (previous year ₹ 2,718.48 crore).

42 Disclosure as per Accounting Standard - 17 on 'Segment Reporting'

Segment information:

a) Business Segments

The Group's principal business is generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy, project management and supervision, oil and gas exploration and coal mining.

b) Segment Revenue and Expense

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

c) Segment Assets and Liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Construction work-in-progress, construction stores and advances are included in unallocated corporate and other assets. Segment liabilities include operating liabilities and provisions.

(₹ Crore)

	Business Segments				Total	
	Generation		Others		Current Year	Previous Year
	Current Year	Previous Year	Current Year	Previous Year		
Segment revenue						
Sale of energy/consultancy, project management and supervision fees *	75,703.99	67,470.22	2,801.37	3,277.53	78,505.36	70,747.75
Other income	785.69	1,710.14	81.43	37.57	867.12	1,747.71
Exceptional items	-	1,684.11	-	(115.82)	-	1,568.29
Unallocated corporate and other income					2,326.62	2,783.79
Total	76,489.68	70,864.47	2,882.80	3,199.28	81,699.10	76,847.54
Segment result #						
Unallocated corporate interest and other income					2,326.62	2,783.79
Unallocated corporate expenses, interest and finance charges					4,208.44	3,448.60
Profit before tax					14,485.76	16,610.95
Income tax (net)					3,082.36	4,024.73
Profit after tax					11,403.40	12,586.22
Other information						
Segment assets	1,02,974.19	86,923.69	4,686.48	2,506.08	1,07,660.67	89,429.77
Unallocated corporate and other assets					92,379.26	89,280.81
Total assets	1,02,974.19	86,923.69	4,686.48	2,506.08	2,00,039.93	1,78,710.58
Segment liabilities	15,931.93	12,652.39	2,439.74	2,167.99	18,371.67	14,820.38
Unallocated corporate and other liabilities					94,664.77	82,649.25
Total liabilities	15,931.93	12,652.39	2,439.74	2,167.99	1,13,036.44	97,469.63
Depreciation (including prior period)	4,736.33	3,786.48	2.98	3.32	4,739.31	3,789.80
Non-cash expenses other than depreciation	137.62	169.63	7.37	5.08	144.99	174.71
Capital expenditure	25,474.76	23,494.47	807.09	615.17	26,281.85	24,109.64

* Includes ₹ 1,816.83 crore (previous year ₹ 1,487.94 crore) for sales related to earlier years.

Generation segment result would have been ₹ 14,467.92 crore (previous year ₹ 15,842.30 crore) without including the sales related to earlier years.

d) The operations of the Group are mainly carried out within the country and therefore, geographical segments are inapplicable.

43 **Disclosure as per Accounting Standard - 18 on 'Related Party Disclosures'**

a) Related parties:

i) Joint ventures:

Utility Powertech Ltd., NTPC-Alstom Power Services Private Ltd., BF-NTPC Energy Systems Ltd., National Power Exchange Ltd., Pan-Asian Renewables Private Ltd., Trincomalee Power Company Ltd. and Bangladesh -India Friendship Power Company Private Ltd.

ii) Key Management Personnel:

Shri Arup Roy Choudhury	Chairman and Managing Director
Shri I.J. Kapoor	Director (Commercial)
Shri N.N.Misra	Director (Operations)
Shri A.K.Jha	Director (Technical)
Shri U.P.Pani	Director (Human Resources)
Shri S.C.Pandey	Director (Projects) ¹
Shri K.Biswal	Director (Finance) ²
Shri A.K. Singhal	Director (Finance) ³
Shri B.P.Singh	Director (Projects) ⁴

1. W.e.f. 1st October 2013

2. W.e.f. 9th December 2013

3. Up to 8th October 2013

4. Superannuated on 30th September 2013

b) Transactions with the related parties at a (i) above are as follows:

₹ Crore

Particulars	Current year	Previous year
i) Transactions during the year		
• Contracts for works/services for services received by the Company:		
- Utility Powertech Ltd.	439.74	393.14
- NTPC-Alstom Power Services Private Ltd.	0.94	6.19
- National Power Exchange Ltd.	0.36	0.84
• Deputation of Employees:		
- Utility Powertech Ltd.	0.25	0.51
- NTPC-Alstom Power Services Private Ltd.	0.85	1.23
- Trincomalee Power Company Ltd.	0.96	0.82
- Pan-Asian Renewables Private Ltd.	0.33	-
- Bangladesh-India Friendship Power Company Private Ltd.	1.34	0.13
ii) Dividend Received:		
- Utility Powertech Ltd.	5.50	4.00
- NTPC-Alstom Power Services Private Ltd.	0.30	0.36
iii) Amount recoverable for contracts for works/services received:		
- Utility Powertech Ltd.	0.17	0.22
- NTPC-Alstom Power Services Private Ltd.	0.04	0.04
- National Power Exchange Ltd.	0.14	1.06
iv) Amount payable for contracts for works/services received:		
- Utility Powertech Ltd.	69.49	64.27
- NTPC-Alstom Power Services Private Ltd.	6.52	7.86
v) Amount recoverable on account of deputation of employees:		
- Utility Powertech Ltd.	0.10	0.66
- NTPC-Alstom Power Services Private Ltd.	0.66	1.32
- Trincomalee Power Company Ltd.	1.12	0.97
- Bangladesh-India Friendship Power Company Private Ltd.	1.34	0.13
vi) Equity contributions made:		
- Pan-Asian Renewables Private Ltd.	1.00	-
- Bangladesh -India Friendship Power Company Private Ltd.	6.12	-

The Company has received bank guarantees from Utility Powertech Ltd. for an amount of ₹ 6.36 crore (previous year ₹ 6.35 crore).

- c) Remuneration to key management personnel for the year is ₹ 4.09 crore (previous year ₹ 3.59 crore) and amount of dues outstanding to the Company as at 31st March 2014 are ₹ 0.03 crore (previous year ₹ 0.07 crore).

₹ Crore		
Managerial remuneration to Key management personnel	31.03.2014	31.03.2013
Shri Arup Roy Choudhury	0.52	0.54
Shri I.J. Kapoor	0.59	0.45
Shri N.N.Misra	0.52	0.44
Shri A.K.Jha	0.56	0.26
Shri U.P.Pani	0.37	0.02
Shri S.C.Pandey	0.21	-
Shri K.Biswal	0.10	-
Shri.B.P.Singh	0.58	0.52
Shri A.K. Singhal	0.64	0.55
Shri D.K. Jain	-	0.38
Shri S.P.Singh	-	0.43
Total	4.09	3.59

44 **Disclosure as per Accounting Standard - 19 on 'Leases'**

a) **Finance leases**

- (i) The Group has taken on lease certain vehicles and has the option to purchase the vehicles as per terms of the lease agreements, details of which are as under:

₹ Crore		
	31.03.2014	31.3.2013
a) Obligations towards minimum lease payments		
• Not later than one year	0.05	0.28
• Later than one year and not later than five years	-	0.09
• Later than five years	-	-
Total	0.05	0.37
b) Present value of (a) above		
• Not later than one year	0.05	0.26
• Later than one year and not later than five years	-	0.07
• Later than five years	-	-
Total	0.05	0.33
c) Finance charges (* ₹16,979/-)	*	0.04

(ii) The Company has entered into an agreement for coal movement through inland waterways transport. As per the agreement, the operator shall design, build, operate and maintain the unloading infrastructure and material handling system ("facility"), and transfer the same to the Company after expiry of 7 years at ₹ 1/-. The facility shall be constructed in two phases of which Phase I has been completed and is under operation. Fair value of the entire facility is ₹ 90 crore and the assets and liability in respect of Phase-I have been recognised at ₹ 60 crore based on technical assessment. The minimum lease payments shall start on completion of Phase-II of the facility. Amounts payable for the coal transported through Phase-I of the facility are disclosed as contingent rent.

	31.03.2014	31.3.2013
		₹ Crore
a) Obligations towards minimum lease payments		
• Not later than one year	12.02	-
• Later than one year and not later than five years	82.41	-
• Later than five years	49.79	-
Total	144.22	-
b) Present value of (a) above		
• Not later than one year	5.27	-
• Later than one year and not later than five years	45.81	-
• Later than five years	38.92	-
Total	90.00	-
c) Finance charges	54.22	-
d) Contingent rent for the year	2.01	-

b) Operating leases

The Company's other significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps for a period of one to two years. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note -24 - Employee benefits expense includes ₹ 73.11 crore (previous year ₹ 83.80 crore) towards lease payments (net of recoveries) in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps are included under 'Rent' in Note -26 - 'Generation, administration and other expenses'. Further, the Company has taken a helicopter on wet lease basis for a period of eleven years and the amount of lease charges is included in 'Hire charges of helicopter / aircraft' (Note - 26).

45 Disclosure as per Accounting Standard - 20 on 'Earnings Per Share'

The elements considered for calculation of Earning Per Share (Basic and Diluted) are as under:

	Current Year	Previous Year
Group profit after tax used as numerator - ₹ crore	11,403.61	12,590.78
Weighted average number of equity shares used as denominator	8,24,54,64,400	8,24,54,64,400
Earning per share (Basic and Diluted) - ₹	13.83	15.27
Nominal value per share - ₹	10/-	10/-

46 Disclosure as per Accounting Standard - 26 on 'Intangible Assets'

Research expenditure charged to revenue during the year is ₹ 98.52 crore (previous year ₹ 91.85 crore).

47 **Disclosure as per Accounting Standard - 28 on 'Impairment of Assets'**

As required by Accounting Standard (AS) 28 'Impairment of Assets' notified under the Companies (Accounting Standards) Rules, 2006, an assessment of impairment of assets was carried out and based on such assessment, there has been no impairment loss during the year.

48 **Disclosure as per Accounting Standard - 29 on 'Provisions, Contingent Liabilities and Contingent Assets'**

₹ crore

Particulars	Balance as at 01.04.2013	Additions during the year	Payments during the year	Reversal / adjustments during the year	Balance as at 31.03.2014
Long Term Provisions (Note-8)					
Contractual Obligations	8.72	1.44	-	0.07	10.09
Short Term Provisions (Note-11)					
Provision for obligations incidental to land acquisition	2,228.72	1,710.84	392.88	544.96	3,001.72
Provision for tariff adjustment	1,333.29	122.96	-	162.56	1,293.69
Provision for shortage in fixed assets pending investigation	1.09	5.45	-	0.37	6.17
Others	285.83	193.99	-	39.26	440.56
Total	3,857.65	2,034.68	392.88	747.22	4,752.23

49 **Foreign currency exposure**

a) Hedged by a derivative instrument

The derivative contracts outstanding as at 31st March 2014 are as under:

Particulars	Currencies	Amount in Foreign Currency (Crore)		Amount (₹ Crore)	
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
Currency Interest Rate Swap	JPY	19.23	-	11.38	-

There is no MTM loss on the above contract as at 31st March 2014.

The derivative contracts entered into by the Company are for hedging currency and/or interest rate risk on foreign currency loans.

b) Not hedged by a derivative instrument or otherwise

Particulars	Currencies	Amount in Foreign Currency (Crore)		Amount (₹ Crore)	
		31.03.2014	31.03.2013	31.03.2014	31.03.2013
Borrowings, including interest accrued but not due thereon.	USD	260.54	252.41	15,791.13	13,859.96
	JPY	4,560.37	4,904.08	2,697.46	2,872.81
	EURO	13.67	12.22	1,143.00	860.17
Trade payables/deposits and retention monies	USD	24.79	21.49	1,502.52	1,179.80
	EURO	11.33	9.83	947.64	691.99
	Others	92.17	35.76	74.67	23.98
Trade receivables and Bank balances	USD	0.02	0.01	1.33	0.78
	Others	0.84	0.50	0.54	0.30
Unexecuted amount of contracts remaining to be executed	USD	125.02	105.15	7,577.46	5,773.61
	EURO	79.61	87.49	6,658.58	6,161.41
	Others	1,656.34	1,472.40	1,176.68	999.89

50 Contingent Liabilities:

(a) Claims against the Group not acknowledged as debts in respect of:

(i) Capital Works

Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the Group for ₹ 4,290.45 crore (previous year ₹ 4,031.12 crore) seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the respective companies as being not admissible in terms of the provisions of the respective contracts.

The Group is pursuing various options under the dispute resolution mechanism available in the contracts for settlement of these claims. It is not practicable to make a realistic estimate of the outflow of resources if any, for settlement of such claims pending resolution.

(ii) Land compensation cases

In respect of land acquired for the projects, the erstwhile land owners have claimed higher compensation before various authorities/courts which are yet to be settled. Against such cases, contingent liability of ₹ 395.16 crore (previous year ₹ 748.99 crore) has been estimated.

(iii) Fuel Suppliers

Pending resolution of the issues with coal companies as disclosed in Note 33, the difference between the amount billed by the coal companies and payment released by the company amounts to ₹ 1,055.14 crore (previous year ₹ 2,531.10 crore).

Further, an amount of ₹ 647.33 crore (previous year ₹ 368.67 crore) towards surface transportation charges, customs duty on service margin on imported coal etc. has been disputed by the Company.

(iv) Others

In respect of claims made by various State/Central Government departments/Authorities towards building permission fee, penalty on diversion of agricultural land to non-agricultural use, nala tax, water royalty etc. and by others, contingent liability of ₹ 1,088.23 crore (previous year ₹ 862.81 crore) has been estimated.

(v) Possible Reimbursement

The contingent liabilities referred to in (i) above, include an amount of ₹ 994.83 crore (previous year ₹ 961.24 crore) relating to the hydro power project stated in Note 15 A (b) - Other non-current assets, for which Company envisages possible reimbursement from GOI in full. In respect of balance claims included in (i) and in respect of the claims mentioned at (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 Regulations subject to prudence check by the CERC. In case of (iii), the estimated possible reimbursement is by way of recovery through tariff as per Regulations, 2009 is ₹ 1,694.00 crore (previous year ₹ 2,792.06 crore).

(b) Disputed Income Tax/Sales Tax/Excise Matters

Disputed Income Tax/Sales Tax/Excise matters pending before various Appellate Authorities amount to ₹ 2,595.87 crore (previous year ₹ 2,215.26 crore). Many of these matters were disposed off in favour of the Group but are disputed before higher authorities by the concerned departments. In such cases, the Group estimates possible reimbursement of ₹ 852.52 crore (previous year ₹ 827.34 crore).

(c) Others

Other contingent liabilities amount to ₹ 513.70 crore (previous year ₹ 376.57 crore).

Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

The contingent liabilities disclosed above include ₹ 247.25 crore (previous year ₹ 118.75 crore) share of jointly controlled entities.

51 **Capital and other commitments**

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2014 is **₹ 76,636.90 crore** (previous year ₹ 61,339.29 crore) which includes an amount of **₹ 9,905.90 crore** (previous year ₹ 6,803.66 crore) in respect of jointly controlled entities.
 - b) Company's commitment towards the minimum work programme in respect of oil exploration activities of joint venture operations has been disclosed in Note 31 C.
 - c) Group's commitment in respect of lease agreements has been disclosed in Note 44.
 - d) Company's commitment towards the minimum work programme in respect of oil exploration activity of Cambay Block (100% owned by the company) is **₹ 198.21 crore (USD 32.98 million)** (previous year ₹ 183.45 crore, USD 33.73 million).
- 52 Some of the Subsidiaries and Joint Venture Companies followed different accounting policies from that of the Company and the impact of the same is not considered to be material. The proportion of the items to which different accounting policies have been followed are (a) Revenue: ₹ 2,412.72 crore (b) Depreciation: ₹ 1.86 crore.

NOTES TO CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR 2012-2013

1. Share capital

	₹ Crore	
As at	31.03.2013	31.03.2012
Equity share capital		
Authorised		
10,00,00,00,000 shares of par value of ₹10/- each (previous year 10,00,00,00,000 shares of par value of ₹10/- each)	<u>10,000.00</u>	<u>10,000.00</u>
Issued, subscribed and fully paid-up		
8,24,54,64,400 shares of par value of ₹10/- each (previous year 8,24,54,64,400 shares of par value of ₹10/- each)	<u>8,245.46</u>	<u>8,245.46</u>

2. Reserves and surplus

₹ Crore

As at	31.03.2013	31.03.2012
Capital reserve		
As per last financial statements	391.33	362.82
Add : Transfer from surplus	0.97	0.44
Add : Grants received during the year	41.24	76.98
Less : Adjustments during the year	24.57	48.91
Closing balance	408.97	391.33
Securities premium account	2,228.11	2,228.11
Foreign currency translation reserve	(0.41)	(0.83)
Debt service reserve		
As per last financial statements	-	-
Add : Transfer from surplus	81.84	-
Closing balance	81.84	-
Bonds redemption reserve		
As per last financial statements	2,389.04	2,231.66
Add : Transfer from surplus	492.79	482.38
Less : Transfer to surplus	346.50	325.00
Closing balance	2,535.33	2,389.04
General reserve		
As per last financial statements	60,390.00	55,087.18
Add : Transfer from surplus	6,643.18	5,348.20
Less: Adjustments during the year	36.46	45.38
Closing balance	66,996.72	60,390.00
Surplus		
As per last financial statements	632.70	229.33
Add: Profit for the year from Statement of Profit and Loss	12,590.78	9,812.79
Write back from bond redemption reserve	346.50	325.00
Less: Transfer to bond redemption reserve	492.79	482.38
Transfer to capital reserve	0.97	0.44
Transfer to debt service reserve	81.84	-
Transfer to general reserve	6,643.18	5,348.20
Dividend paid	3,094.07	2,887.92
Tax on dividend paid	501.94	465.41
Proposed dividend	1,718.27	473.29
Tax on proposed dividend	291.99	76.78
Net surplus	744.93	632.70
Total #	72,995.49	66,030.35

Includes ₹ 475.25 crore (previous year ₹ 511.66 crore) share of jointly controlled entities.

3. Deferred revenue

	₹ Crore	
As at	31.03.2013	31.03.2012
On account of advance against depreciation	708.60	718.47
On account of income from foreign currency fluctuation	535.45	711.59
Total #	1,244.05	1,430.06

Includes ₹ Nil (previous year ₹ Nil) share of jointly controlled entities.

- a) Advance against depreciation (AAD) was an element of tariff provided under the Tariff Regulations for 2001-04 and 2004-09 to facilitate debt servicing by the generators since it was considered that depreciation recovered in the tariff considering a useful life of 25 years is not adequate for debt servicing. Though this amount is not repayable to the beneficiaries, keeping in view the matching principle, and in line with the opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI), this was treated as deferred revenue to the extent depreciation chargeable in the accounts is considered to be higher than the depreciation recoverable in tariff in future years. Since AAD is in the nature of deferred revenue and does not constitute a liability, it has been disclosed in this note separately from shareholder's funds and liabilities.
- b) In line with significant accounting policy no. L.2 and the revised CERC order for 2004-09, an amount of ₹ 9.87 crore (previous year ₹ 34.39 crore) has been recognized during the year from the AAD and included in energy sales (Note 23).
- c) 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 asset by corresponding credit to deferred income from foreign currency fluctuation in respect of the FERV on foreign currency loans or interest thereon adjusted in the cost of fixed assets, which is recoverable from the customers in future years as provided in accounting policy no. L.3. This amount will be recognized as revenue corresponding to the depreciation charge in future years. The amount does not constitute a liability to be discharged in future periods and hence has been disclosed separately from shareholder's funds and liabilities.

4. Long-term borrowings

	₹ Crore	
As at	31.03.2013	31.03.2012
Bonds		
Secured		
9.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 04 th May 2023 and ending on 04 th May 2027 (Forty fourth issue - private placement) ^{VIII}	500.00	-
8.48% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 1 st May 2023 (Seventeenth issue - private placement) ^I	50.00	50.00
9.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 25 th January 2023 and ending on 25 th January 2027 (Forty second issue - private placement) ^{III}	500.00	500.00
8.84% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th October 2022 (Forty seventh issue - private placement) ^{VIII}	390.00	-
8.93% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 19 th January 2021 (Thirty seventh issue - private placement) ^{III}	300.00	300.00
8.73 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 31 st March 2020 (Thirty third issue-private placement) ^{III}	195.00	195.00
8.78 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 9 th March 2020 (Thirty first issue-private placement) ^{III}	500.00	500.00
11.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in five equal annual installments commencing from 6 th Nov 2019 and ending on 6 th Nov 2023 (Twenty seventh issue - private placement) ^{III}	350.00	350.00
7.89% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 5 th May 2019 (Thirtieth issue - private placement) ^{III}	700.00	700.00
8.65% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th February 2019 (Twenty ninth issue - private placement) ^{III}	550.00	550.00
7.50% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 12 th January 2019 (Nineteenth issue - private placement) ^{II}	50.00	50.00
11% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 21 st November 2018 (Twenty eighth issue - private placement) ^{III}	1,000.00	1,000.00

4. Long-term borrowings

As at	31.03.2013	31.03.2012
9.3473% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 20 th July 2018 and ending on 20 th July 2032 (Forty sixth issue - private placement) ^{VIII}	75.00	-
9.4376% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 16 th May 2018 and ending on 16 th May 2032 (Forty fifth issue - private placement) ^{VIII}	75.00	-
8.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 10 th April 2018 (Sixteenth issue - private placement) ^I	100.00	100.00
9.2573% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 2 nd March 2018 and ending on 2 nd March 2032 (Forty third issue - private placement) ^{III}	75.00	75.00
9.6713 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 23 rd Decemeber 2017 and ending on 23 rd December 2031 (Forty first issue - private placement) ^{III} .	75.00	75.00
9.558 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 29 th July 2017 and ending on 29 th July 2031 (Fortieth issue - private placement) ^{III}	75.00	75.00
9.3896% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 9 th June 2017 and ending on 9 th June 2031 (Thirty ninth issue - private placement) ^{III}	105.00	105.00
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 22 nd March 2017 and ending on 22 nd March 2031 (Thirty eighth issue - private placement) ^{III} .	75.00	75.00

4. Long-term borrowings

	₹ Crore	
As at	31.03.2013	31.03.2012
8.8086% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th December 2016 and ending on 15 th December 2030 (Thirty sixth issue - private placement) ^{III}	75.00	75.00
8.785% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th September 2016 and ending on 15 th September 2030 (Thirty fifth issue - private placement) ^{III}	120.00	120.00
8.71% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 10 th June 2016 and ending on 10 th June 2030 (Thirty fourth issue - private placement) ^{III}	150.00	150.00
8.8493% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 25 th March 2016 and ending on 25 th March 2030 (Thirty second issue - private placement) ^{III}	105.00	105.00
9.37% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty fifth issue - private placement) ^{III}	357.00	428.50
9.06% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty sixth issue - private placement) ^{III}	357.00	428.50
8.6077% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 9 th September 2011 and ending on 9 th March 2021 (Twenty fourth issue - private placement) ^{IV}	350.00	400.00
8.3796% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 5 th August 2011 and ending on 5 th February 2021 (Twenty third issue - private placement) ^{IV}	350.00	400.00
8.1771% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd July 2011 and ending on 2 nd January 2021 (Twenty second issue - private placement) ^{IV}	350.00	400.00

4. Long-term borrowings

	₹ Crore	
As at	31.03.2013	31.03.2012
7.7125% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd August 2010 and ending on 2 nd February 2020 (Twenty first issue - private placement) ^V	600.00	700.00
7.552% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 23 rd September 2009 and ending on 23 rd March 2019 (Twentieth Issue - private placement) ^{VI}	250.00	300.00
5.95% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 10 th year respectively from 15 th September 2003 (Eighteenth issue - private placement) ^{VII}	-	100.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each with ten equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of the 6 th year and in annual installments thereafter upto the end of 15 th year respectively from 30 th April 2002 (Thirteenth issue - Part B - private placement) ^{IX}	300.00	375.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each redeemable at par in ten equal annual instalments commencing from the end of 6 th year and upto the end of 15 th year respectively from 18 th April 2002 (Thirteenth issue -Part A - private placement) ^{IX}	300.00	375.00
Unsecured *		
8.73% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 7 th March 2023 (Forty eighth issue-private placement)	300.00	-
	9,704.00	9,057.00
Foreign currency notes		
Unsecured		
4.75 % Fixed rate notes due for repayment on 3 rd October 2022	2,745.50	-
5.625 % Fixed rate notes due for repayment on 14 th July 2021	2,745.50	2,581.50
5.875 % Fixed rate notes due for repayment on 2 nd March 2016	1,647.30	1,548.90
Term loans		
From Banks		
Secured		
Rupee loans ^X	2,986.65	2,517.84
Unsecured		
Foreign currency loans	4,766.70	3,927.15
Rupee loans	13,919.18	9,503.36

4. Long-term borrowings

	₹ Crore	
As at	31.03.2013	31.03.2012
From Others		
Secured		
Foreign currency loan (guaranteed by GOI)	-	99.09
Rupee loans ^X	8,313.13	6,385.94
Unsecured		
Foreign currency loans (guaranteed by GOI)	2,604.09	2,999.49
Other foreign currency loans	1,864.55	1,872.51
Rupee loans	13,090.55	14,358.43
Deposits		
Unsecured		
Fixed deposits	0.52	0.47
Others		
Unsecured		
Bonds application money pending allotment ^{**}	200.00	-
Long term maturities of finance lease obligations (Secured)^{XI}	0.05	0.26
Total[#]	64,587.72	54,851.94

[#] Includes ₹ 8,651.80 crore (previous year ₹ 7,932.53 crore) share of jointly controlled entities.

* Formalities for creation of security as per terms of bond issue are in progress.

** Bond application money received in respect of 8.80% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 10,00,000/- each redeemable at par in full on 4th April 2023 (Forty ninth issue-private placement).

4. Long-term borrowings

a) Details of terms of repayment and rate of interest

₹ Crore

Particulars	Non current portion		Current portion	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
Term loans				
Secured				
Ruppee loans - Banks	2,986.65	2,517.84	192.87	168.70
Ruppee loans - Others	8,313.13	6,385.94	357.82	256.63
Foreign currency loan (guaranteed by GOI) - Others	-	99.09	96.44	186.38
	11,299.78	9,002.87	647.13	611.71
Unsecured				
Foreign currency loans (guaranteed by GOI) - Others	2,604.09	2,999.49	171.73	183.64
Foreign currency loans - Banks	4,766.70	3,927.15	233.59	219.64
Other foreign currency loans - Others	1,864.55	1,872.51	576.19	646.04
Ruppee loans - Banks	13,919.18	9,503.36	1,759.13	1,695.35
Ruppee loans - Others	13,090.55	14,358.43	1,367.73	740.33
	36,245.07	32,660.94	4,108.37	3,485.00
Fixed deposits (unsecured)	0.52	0.47	0.11	11.79

- i) Secured rupee term loan from banks carry interest linked to SBI base rate or fixed interest rate ranging from 8% to 12% p.a., with monthly/quarterly/half-yearly rests. These loans are repayable in quarterly/half-yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of four to fifteen years after a moratorium period of six months from the COD, or three to five years from the date of the loan agreement.
- ii) Secured rupee term loan from others carry interest linked to SBI base rate, SBI Advance Rate, rate notified by the lender for category 'A' public sector undertaking, AAA bond yield rates or fixed interest rate ranging from 8% to 12.25% p.a., with monthly/quarterly/half-yearly rests. These loans are repayable in quarterly/half-yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of four to fifteen years after a moratorium period of six months from the COD, or three to five years from the date of the loan agreement.
- iii) Secured foreign currency loan (guaranteed by GOI) carries floating rate of interest linked to Currency Weighted LIBOR and is repayable on 15th June 2013.
- iv) Unsecured foreign currency loans (guaranteed by GOI)-others carry fixed rate of interest ranging from 1.80% p.a. to 2.30% p.a. and are repayable in 27 to 36 semiannual instalments as of 31st March 2013.
- v) Unsecured foreign currency loans – Banks include loans of ₹ 591.81 crore (previous year ₹ 635.95 crore) which carry fixed rate of interest of 4.31% p.a. and loans of ₹ 4,408.48 Crore (previous year ₹ 3,510.84 Crore) which carry floating rate of interest linked to 6M LIBOR. These loans are repayable in 2 to 26 semiannual instalments as of 31st March 2013, commencing after moratorium period if any, as per the terms of the respective loan agreements.
- vi) Unsecured foreign currency loans – Others include loans of ₹ 1,071.57 crore (previous year ₹ 654.40 crore) which carry fixed rate of interest ranging from 3.50% p.a. to 4.31% p.a., loans of ₹ 1,277.60 crore (previous year ₹ 1,675.48 crore) which carry floating rate of interest linked to 6M LIBOR / 6M EURIBOR and a loan of ₹ 91.57 crore (previous year ₹ 188.67 crore) which carries floating rate of interest linked to the cost of borrowings of the Multilateral Agency lender. These loans are repayable in 2 to 24 semiannual installments as of 31st March 2013, commencing after moratorium period if any, as per the terms of the respective loan agreements.
- vii) Unsecured rupee term loans carry interest ranging from 5.707 % to 12.75 % p.a. with monthly/quarterly/half-yearly rests. These loans are repayable in quarterly/half-yearly/yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of five to fifteen years after a moratorium period of six months to five years.
- viii) Unsecured fixed deposits carry interest @ 6.75% to 8.00% p.a. payable quarterly/monthly for non-cumulative schemes and on maturity in case of cumulative schemes compounded quarterly. The deposits are repayable during a period of one to three years from the date of issue.
- b) The finance lease obligations are repayable in installments as per the terms of the respective lease agreements generally over a period of four years.
- c) There has been no default in repayment of any of the loans or interest thereon as at the end of the year.

Details of securities

- I Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to National Capital Power Station.
- II Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement.
- III Secured by (I) English mortgage, on first pari passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Sipat Super Thermal Power Project by extension of charge already created.
- IV Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of the title deeds of the immovable properties pertaining to Sipat Super Thermal Power Project.
- V Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Barh Super Thermal Power Project on first pari-passu charge basis, ranking pari passu with charge already created in favour of Trustee for other Series of Bonds and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Ramagundam Super Thermal Power Station by extension of charge already created.
- VI Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to Ramagundam Super Thermal Power Station.
- VII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to National Capital Power Station by extension of charge already created.
- VIII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to National Capital Power Station by extension of charge already created.

IX Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Singrauli Super Thermal Power Station by extension of charge already created.

- X (i) Secured by all moveable & immoveable, present and future assets belonging to Joint Venture entity at Vallur.
- (ii) Secured by equitable mortgage/hypothecation of all the present and future Fixed Assets and Moveable Assets of Bhilai Expansion Project (CPP - III) belonging to Joint Venture entity.
- (iii) Secured by equitable mortgage/hypothecation of all the present and future Fixed Assets and Moveable Assets of CPP-II at Rourkela, Durgapur, Bhilai & Corporate office belonging to Joint Venture entity.
- (iv) Secured by first charge by way of hypothecation of all moveable assets of Indira Gandhi Super Thermal Power Project (3 X 500 MW) Coal Based Thermal Power Project at Jhajjar Distt. in state of Haryana belonging to Joint Venture entity, comprising its movable plant and machinery, machinery spares, tools and accessories, furniture & fixture, vehicles and all other movable assets, present and future, including intangible assets, goodwill, uncalled capital receivable of the project except for specified receivables on which first charges would be ceded to working capital lenders present and future and

Secured by first charge by way of mortgage by deposit of title deed of lands (approx 2049.11 acres) and other immovable properties of Indira Gandhi Super Thermal Power Project (3 x 500 MW) coal based thermal power project at Jhajjar district in State of Haryana together with all buildings and structure erected/ constructed/ standing thereon and all plant and machinery, and equipment attached to the earth or permanently fastened to the earth comprised therein, in respect of which the Joint venture entity is as a owner seized and possessed of and otherwise well and fully entitled to both present and future assets.

- (v) Secured by English mortgage/ hypothecation of all present and future fixed and movable assets of Nabinagar TPP (4*250) MW of Bharatiya Rail Bijilee Company Ltd., a subsidiary company, as first charge, ranking pari passu with charge already created with PFC for 60% of total debts and balance 40% with REC.
- (vi) Secured by equitable mortgage/hypothecation of all the present and future Fixed Assets and Moveable Assets of Power Plant and associated LNG facilities at village Anjanwel Guhagar, Distt. Ratnagiri belonging to Joint Venture entity.
- (vii) Secured by a first priority charge on all assets of the Project, present & future, movable & immovable and land from consortium led by SBI for Kanti Bijlee Utpadan Nigam Ltd. expansion project. The security will rank pari-pasu with all term lenders of the project. The charge has been created in favor of Security trustee i.e. SBI Cap Trustee Co. Ltd. Legal mortgage of land in favor of security trustee is pending.

(viii) Secured by Equitable mortgage, by way of first charge, by deposit of the title deeds of the immovable properties pertaining to Meja Thermal Power Project. Deed of Hypothecation for all present and future movable assets of Meja Urja Nigam Private Limited has also been executed with the Security Trustee.

(ix) Secured by a first priority charge on all assets of the Nabinagar Power Generating Company Pvt.Ltd., present and future, movable and immovable through a deed of hypothecation and simple mortgage of land.

(x) Secured by first charge on all movable and immovable, present and future assets of the NTPC Tamilnadu Energy Company Ltd.

XI Secured against fixed assets obtained under finance lease.

XII Security cover mentioned at sl. no. I to X is above 100% of the debt securities outstanding.

5. Deferred tax liabilities (net)

	₹ Crore		
	As at 01.04.2012	Additions/ Adjustments during the year	As at 31.03.2013
Deferred tax liability			
Difference of book depreciation and tax depreciation	6,201.99	317.90	6,519.89
Less: Deferred tax assets			
Provisions & other disallowances for tax purposes	1,153.08	(363.44)	789.64
Disallowances u/s 43B of the Income Tax Act, 1961	329.82	4.31	334.13
	<u>4,719.09</u>	<u>677.03</u>	<u>5,396.12</u>
Less:-Recoverable from beneficiaries	3,954.60	360.80	4,315.40
Total #	<u>764.49</u>	<u>316.23</u>	<u>1,080.72</u>

Includes ₹ 183.23 crore (previous year ₹ 126.15 crore) share of jointly controlled entities.

- a) The net increase during the year in the deferred tax liability of ₹ 316.23 crore (previous year ₹ 92.84 crore) has been debited to Statement of Profit and Loss.
- b) Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

6. Other long-term liabilities

	₹ Crore	
As at	31.03.2013	31.03.2012
Trade payables	6.83	5.41
Deferred foreign currency fluctuation liability	135.60	134.43
Other liabilities		
Payable for capital expenditure	2,066.54	1,644.76
Others	4.84	6.97
Total #	2,213.81	1,791.57

Includes ₹ 21.36 crore (previous year ₹ 4.46 crore) share of jointly controlled entities.

- a) In line with accounting policy no.L.3 deferred foreign currency fluctuation liability to the extent of ₹ 1.17 crore (previous year ₹ 37.76 crore) has been made during the year.
- b) Other liabilities - Others include deposits received from contractors, customers and parties towards sale of scrap etc.

7. Long-term provisions

	₹ Crore	
As at	31.03.2013	31.03.2012
Provision for employee benefits		
Opening balance	613.85	568.52
Additions/ (adjustments) during the year	138.63	45.33
Closing balance	752.48	613.85
Contractual obligations		
Opening balance	9.64	-
Additions during the year	1.70	9.78
Amounts adjusted during the year	2.62	0.14
Closing balance	8.72	9.64
Total #	761.20	623.49

Includes ₹ 21.26 crore (previous year ₹ 19.79 crore) share of jointly controlled entities.

Disclosure required by AS 15 on 'Employees Benefits' has been made in Note no.41.

8. Short-term borrowings

	₹ Crore	
As at	31.03.2013	31.03.2012
Loans repayable on demand		
From Banks		
Secured		
Cash Credit	382.16	150.16
Total #	382.16	150.16

Includes ₹ 347.12 crore (previous year ₹ 109.94 crore) share of jointly controlled entities.

- a) Includes cash credit fully secured against stock in trade of Kanti Bijlee Utpadan Nigam Ltd. with interest as per prevailing bank norms.
- b) Includes borrowings secured by way of first pari-passu charge along with Power Finance Corporation Ltd. on the fixed assets, revenue and receivables of Aravali Power Company Pvt. Ltd. in favour of its working capital lending banks. Rate of interest is applicable at the bank base rate of the respective banks.
- c) Includes Bank overdraft secured by charge on spare, present and future stock of coal and fuel at various places of NTPC Tamilnadu Energy Company Limited.
- d) There has been no default in payment of principal and interest as at the end of the year.

9. Trade payables

	₹ Crore	
As at	31.03.2013	31.03.2012
For goods and services [#]	<u><u>5,888.67</u></u>	<u><u>5,037.97</u></u>

[#] Includes ₹ 237.30 crore (previous year ₹ 209.42 crore) share of jointly controlled entities.

10. Other current liabilities

	₹ Crore	
As at	31.03.2013	31.03.2012
Current maturities of long term borrowings		
Bonds-Secured	693.00	693.00
From Banks		
Secured		
Ruppee term loans	192.87	168.70
Unsecured		
Other foreign currency loans	233.59	219.64
Ruppee term loans	1,759.13	1,695.35
From Others		
Secured		
Ruppee term loans	357.82	256.63
Foreign currency loan (guaranteed by GOI)	96.44	186.38
Unsecured		
Foreign currency loans (guaranteed by GOI)	171.73	183.64
Other foreign currency loans	576.19	646.04
Ruppee term loans	1367.73	740.33
Fixed deposits	0.11	11.79
	5,448.61	4,801.50
Current maturities of finance lease obligations-secured	0.29	0.49
Interest accrued but not due on borrowings	670.55	533.02
Unpaid dividends	15.67	11.50
Unpaid matured deposits and interest accrued thereon	0.20	0.26
Unpaid matured bonds and interest accrued thereon	0.59	0.59
Book overdraft	20.88	3.64
Advances from customers and others	424.50	419.27
Payable for capital expenditure	4,195.52	4,400.06
Other payables		
Tax deducted at source and other statutory dues	189.46	169.34
Deposits from contractors and others	1,264.91	1,205.71
Gratuity obligations	93.12	60.16
Payable to employees	468.81	332.02
Others	349.43	258.23
Total #	13,142.54	12,195.79

Includes ₹ 1,490.20 crore (previous year ₹ 1,453.54 crore) share of jointly controlled entities.

- a) Unpaid dividends, matured deposits and bonds including the interest accrued thereon include the amounts which have not been claimed by the investor/holders of the equity shares/bonds/fixed deposits. Out of the above, no amount is due for payment to investor education and protection fund.
- b) Details in respect of rate of interest and terms of repayment of secured and unsecured current maturities of long term borrowings indicated above are disclosed in Note 4.
- c) Other payables - Others include amount payable to hospitals, retired employees etc.
- d) Payable for capital expenditure includes liabilities of ₹ 378.77 crore (previous year ₹ 371.01 crore) towards an equipment supplier pending evaluation of performance and guarantee test results of steam/turbine generators at some of the stations. Pending settlement, liquidated damages recoverable for shortfall in performance of these equipments, if any, have not been recognised.

11. Short-term provisions

	₹ Crore	
As at	31.03.2013	31.03.2012
Provision for employee benefits		
Opening balance	1,163.67	1,183.28
Additions/ (adjustments) during the year	266.16	(19.61)
Closing balance	<u>1,429.83</u>	<u>1,163.67</u>
Provision for proposed dividend		
Opening balance	473.29	662.18
Additions during the year	1,718.27	473.29
Amounts used during the year	473.29	662.18
Closing balance	<u>1,718.27</u>	<u>473.29</u>
Provision for tax on proposed dividend		
Opening balance	76.78	107.65
Additions during the year	291.99	76.78
Amounts paid during the year	76.78	107.65
Closing balance	<u>291.99</u>	<u>76.78</u>
Provision for obligations incidental to land acquisition		
Opening balance	376.97	309.69
Additions during the year	1,969.15	138.46
Amounts paid during the year	138.98	25.58
Amounts adjusted during the year	(21.58)	45.60
Closing balance	<u>2,228.72</u>	<u>376.97</u>
Provision for tariff adjustment		
Opening balance	1,228.39	14.69
Additions during the year	104.90	1,526.45
Amounts reversed during the year	-	312.75
Closing balance	<u>1,333.29</u>	<u>1,228.39</u>
Provision for shortage in fixed assets pending investigation		
Opening balance	1.31	1.00
Additions during the year	0.27	0.74
Amounts adjusted during the year	0.10	0.07
Amounts reversed during the year	0.39	0.36
Closing balance	<u>1.09</u>	<u>1.31</u>

11. Short-term provisions

	₹ Crore	
As at	31.03.2013	31.03.2012
Others		
Opening balance	90.68	20.71
Additions during the year	224.72	43.60
Amounts adjusted during the year	29.11	(26.37)
Amounts reversed during the year	0.46	-
Closing balance	<u>285.83</u>	<u>90.68</u>
Total #	<u>7,289.02</u>	<u>3,411.09</u>

Includes ₹ 155.18 crore (previous year ₹ 167.37 crore) share of jointly controlled entities.

- a) Disclosure required by AS 15 on 'Employees Benefits' has been made in Note no.41.
- b) In terms of guidelines of Department of Public Enterprises (DPE), Government of India (GOI) dated 26.11.2008 and 02.04.2009 and subsequent clarification issued by the DPE, the Company is allowed to contribute upto 30% of employees salary (basic pay plus DA) towards superannuation benefits including pension w.e.f. 1st January 2007. Consequent upon receipt of approval from the Ministry of Power (MoP), GOI for introduction of a defined contribution pension scheme in the Company w.e.f 1st January 2007, a separate pension trust has been formed for administration of the pension scheme. The pension scheme is yet to be made operational as clarification on certain issues referred to MoP and DPE are awaited. Pending this, an amount of ₹ 156.90 crore (previous year ₹ 174.55 crore) for the year and ₹ 458.40 crore up to 31st March 2013 (upto the previous year ₹ 301.50 crore) has been provided and included in provision for employee benefits.
- c) Other provisions include ₹ 46.27 crore (previous year ₹ 41.19 crore) towards cost of unfinished minimum work programme demanded by the Ministry of Petroleum and Natural Gas (MoP&NG) including interest thereon in relation to block AA-ONN-2003/2 [Refer Note 32 D (ii)] and ₹ 200.84 crore (previous year ₹ 18.07 crore) towards provision for litigation cases.

12. Tangible assets

₹ Crore

	Gross Block			As at 31.03.2013	Depreciation/Amortisation			Net Block		
	As at 01.04.2012	Additions	Deductions/ Adjustments		Upto 01.04.2012	For the year	Deductions/ Adjustments	Upto 31.03.2013	As at 31.03.2013	As at 31.03.2012
Land :										
(including development expenses)										
Freehold	2,986.22	1,272.43	(944.99)	5,203.64	-	-	-	-	5,203.64	2,986.22
Leasehold	724.64	750.58	(53.91)	1,529.13	141.68	29.56	(2.62)	173.86	1,355.27	582.96
Roads,bridges, culverts & helipads	536.63	98.78	(2.86)	638.27	181.86	25.01	(0.02)	206.89	431.38	354.77
Building :										
Freehold										
Main plant	3,703.13	1,310.32	(73.86)	5,087.31	1,257.62	138.35	(0.71)	1,396.68	3,690.63	2,445.51
Others	2,371.04	257.39	(8.22)	2,636.65	884.71	105.20	(0.29)	990.20	1,646.45	1,486.33
Leasehold	50.96	-	(0.65)	51.61	24.74	3.00	-	27.74	23.87	26.22
Temporary erection	34.94	4.67	1.44	38.17	33.14	2.53	0.32	35.35	2.82	1.80
Water supply, drainage & sewerage system	642.92	43.91	(1.99)	688.82	298.25	23.80	(0.10)	322.15	366.67	344.67
MGR track and signalling system	1,267.97	24.84	(62.75)	1,355.56	593.15	42.72	(0.01)	635.88	719.68	674.82
Railway siding	433.53	56.60	(7.58)	497.71	157.47	22.31	0.05	179.73	317.98	276.06
Earth dam reservoir	298.22	38.17	(0.80)	337.19	95.38	16.45	(0.01)	111.84	225.35	202.84
Plant and equipment	73,680.28	18,544.47	(1,111.29)	93,336.04	32,939.30	3,811.87	96.46	36,654.71	56,681.33	40,740.98
Furniture and fixtures	405.97	40.87	2.82	444.02	238.19	18.88	2.22	254.85	189.17	167.78
Vehicles including speedboats										
Owned	12.19	0.73	1.31	11.61	6.02	0.73	0.67	6.08	5.53	6.17
Leased	2.07	0.02	(0.24)	2.33	1.43	0.56	(0.03)	2.02	0.31	0.64
Office equipment	143.94	22.94	2.79	164.09	72.96	9.36	3.11	79.21	84.88	70.98
EDP, WP machines and satcom equipment	375.19	41.52	14.09	402.62	260.01	28.13	12.67	275.47	127.15	115.18
Construction equipments	161.15	15.49	1.28	175.36	82.63	10.48	2.34	90.77	84.59	78.52
Electrical installations	336.76	76.27	(2.96)	415.99	153.08	13.56	0.21	166.43	249.56	183.68
Communication equipments	94.84	4.10	0.60	98.34	49.29	5.00	0.82	53.47	44.87	45.55
Hospital equipments	29.34	3.37	0.20	32.51	15.44	0.99	0.16	16.27	16.24	13.90
Laboratory and workshop equipments	41.65	11.27	(0.08)	53.00	13.26	2.01	(0.01)	15.28	37.72	28.39
Assets under 5 KM scheme of the GOI	-	0.53	-	0.53	-	0.01	-	0.01	0.52	-
Capital expenditure on assets not owned by the Company	219.61	5.46	(0.23)	225.30	140.11	12.78	0.32	152.57	72.73	79.50
Assets of Government	2.84	-	0.03	2.81	-	-	-	-	2.81	2.84
Less:Grants from Government	2.84	-	0.03	2.81	-	-	-	-	2.81	2.84
Total #	88,553.19	22,624.73	(2,247.88)	1,13,425.80	37,639.72	4,323.29	115.55	41,847.46	71,578.34	50,913.47
Previous year	78,907.62	7,734.38	(1,911.19)	88,553.19	34,255.47	3,450.96	66.71	37,639.72	50,913.47	44,652.15

Includes ₹ 8,270.35 crore (previous year ₹ 5,449.53 crore) share of jointly controlled entities.

- The conveyancing of the title to **12,211 acres** of freehold land of value ₹ **1788.36 crore** (previous year 10,860 acres of value ₹ 584.02 crore), buildings & structures of value ₹ **136.74 crore** (previous year ₹ 136.60 crore), and also execution of lease agreements for **10,703 acres** of land of value ₹ **476.70 crore** (previous year 9,494 acres, value ₹ 337.36 crore) in favour of the Company are awaiting completion of legal formalities.
- Leasehold land includes **2,002 acres** valuing ₹ **642.07 crore** (previous year 819 acres valuing ₹ 29.67 crore) acquired on perpetual lease and accordingly not amortised.
- Land does not include cost of **1,181 acres** (previous year 1,181 acres) of land in possession of the Company. This will be accounted for on settlement of the price thereof by the State Government Authorities.
- Land includes **1,233 acres** of value ₹ **14.99 crore** (previous year 1,237 acres of value ₹ 14.90 crore) not in possession of the Company. The Company is taking appropriate steps for repossession of the same.

- e) Land includes an amount of ₹ 152.48 crore (previous year ₹ 124.77 crore) deposited with various authorities in respect of land in possession which is subject to adjustment on final determination of price.
- f) Possession of land measuring 98 acres (previous year 98 acres) consisting of 79 acres of free-hold land (previous year 79 acres) and 19 acres of lease hold land (previous year 19 acres) of value ₹ 0.21 crore (previous year ₹ 0.21 crore) was transferred to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (erstwhile UPSEB) for a consideration of ₹ 0.21 crore. Pending approval for transfer of the said land, the area and value of this land has been included in the total land of the Company. The consideration received from erstwhile UPSEB is disclosed under Note -10 - 'Other Current Liabilities -as other liabilities'.
- g) Ministry of Power, Government of India vide its notification no. 2/38/99-BTPS (Volume VII) dated 22nd September 2006 transferred land of a power station to the Company on operating lease of 50 years. Lease rent for the year amounting to ₹ 6.20 crore (previous year ₹ 6.18 crore) has been charged to the Statement of Profit and Loss.
- h) The Company has received an opinion from the EAC of the ICAI on accounting treatment of capital expenditure on assets not owned by the Company wherein it was opined that such expenditure are to be charged to the statement of profit and loss as and when incurred. The Company has represented that such expenditure being essential for setting up of a project, the same be accounted in line with the existing accounting practice and sought a review. Pending receipt of communication from ICAI regarding the review, existing treatment has been continued as per the relevant accounting policy.
- i) Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the plant.
- j) From the accounting periods commencing on or after 7th December 2006, the Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items relating to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset.
- k) The borrowing costs capitalised during the year ended 31st March 2013 is ₹ 2,718.48 crore (previous year ₹ 2,782.88 crore). The Company capitalised the borrowings costs in the capital work-in-progress (CWIP). Similarly, exchange differences for the year are disclosed in the 'Addition' column of CWIP and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustment' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustment' column of fixed assets. Asset-wise details of exchange differences and borrowing costs included in the cost of major fixed assets and CWIP through 'Addition' or 'Deductions/Adjustment' column are given below:

	For the year ended 31st March 2013		For the year ended 31st March 2012	
	Exch. difference incl in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP	Exch. difference incl in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP
	₹ Crore			
Building :				
Main plant	2.15	165.89	26.94	70.23
Others	0.18	33.92	3.73	34.16
Hydrolic works, barrages, dams, tunnels and power channel	-	194.24	-	238.53
MGR track and signalling system	-	12.82	1.54	7.84
Railway siding	0.03	18.42	0.03	5.27
Plant and equipment	655.55	1,906.36	1,026.74	1,899.17
Others including pending allocation	398.10	386.83	602.23	527.68
Total	1,056.01	2,718.48	1,661.21	2,782.88

Intangible assets

₹ Crore

	Gross Block			As at 31.03.2013	Amortisation			Upto 31.03.2013	Net Block	
	As at 01.04.2012	Additions	Deductions/ Adjustments		Upto 01.04.2012	For the year	Deductions/ Adjustments		As at 31.03.2013	As at 31.03.2012
Software	95.87	3.36	0.79	98.44	90.28	2.99	(0.23)	93.50	4.94	5.59
Right of Use- Land	7.79	41.17	(0.10)	49.06	2.51	2.38	-	4.89	44.17	5.28
- Others	222.58	-	(7.27)	229.85	16.05	9.16	-	25.21	204.64	206.53
Total #	326.24	44.53	(6.58)	377.35	108.84	14.53	(0.23)	123.60	253.75	217.40
Previous year	299.68	6.76	(19.80)	326.24	90.83	17.16	(0.85)	108.84	217.40	208.85

Includes ₹ 5.01 crore (previous year ₹ 5.33 crore) share of jointly controlled entities.

- a) The right of use of land, other than perpetual in nature, is amortised over its life or 25 years whichever is less.
- b) Cost of acquisition of the right for drawl of water amounting to ₹ 226.33 crore (previous year ₹ 219.06 crore) is included under intangible assets – Right of use - Others.

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

	₹ Crore	
	31.03.2013	31.03.2012
Charged to Statement of Profit and Loss	3,823.22	3,107.09
Allocated to the fuel cost	216.33	180.04
Transferred to expenditure during construction period (net) - Note 29	41.37	37.17
Transferred to development of coal mines	1.20	0.98
Adjustment with deffered income/expense from deferred foreign currency fluctuation	255.70	142.84
	4,337.82	3,468.12

13. Capital work-in-progress

	₹ Crore				
	As at 01.04.2012	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2013
Development of land	561.13	133.19	115.03	0.04	579.25
Roads, bridges, culverts & helipads	103.29	51.39	(32.74)	98.32	89.10
Piling and foundation	950.99	151.59	201.31	-	901.27
Buildings :					
Main plant	2,905.21	1,007.90	529.79	1,304.45	2,078.87
Others	594.68	474.38	70.18	263.47	735.41
Temporary erection	15.98	6.22	13.20	2.15	6.85
Water supply, drainage and sewerage system	75.42	28.74	0.25	39.48	64.43
Hydraulic works, barrages, dams, tunnels and power channel	3,452.97	645.23	2.10	-	4,096.10
MGR track and signalling system	219.57	221.36	99.04	24.84	317.05
Railway siding	219.42	126.15	(78.18)	56.60	367.15
Earth dam reservoir	73.56	14.40	2.09	35.34	50.53
Plant and machinery	36,546.18	12,078.86	(1,349.48)	18,342.31	31,632.21
Furniture and fixtures	5.82	18.53	0.04	12.32	11.99
Vehicles	0.18	-	(0.46)	-	0.64
Office equipment	4.95	0.82	2.24	0.21	3.32
EDP/WP machines & satcom equipment	0.22	2.21	(2.11)	0.23	4.31
Construction equipments	0.45	0.03	0.37	-	0.11
Electrical installations	208.86	86.08	88.13	54.30	152.51
Communication equipment	1.93	1.98	(0.15)	0.98	3.08
Hospital equipments	0.38	-	0.23	-	0.15
Laboratory and workshop equipments	1.46	-	1.30	-	0.16
Assets under 5 KM scheme of the GOI	2.24	48.67	(7.85)	0.53	58.23
Capital expenditure on assets not owned by the company	19.81	32.57	13.66	5.46	33.26
Exploratory wells-in-progress	7.66	-	0.02	-	7.64
Development of coal mines	279.74	96.42	(0.00)	-	376.16
	46,252.10	15,226.72	(331.99)	20,241.03	41,569.78
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	317.79	41.11	23.35	-	335.55
Difference in exchange on foreign currency loans	628.68	795.23	572.55	-	851.36
Expenditure towards diversion of forest land	172.16	78.83	16.99	-	234.00
Pre-commissioning expenses (net)	257.13	371.64	528.38	-	100.39
Expenditure during construction period (net)	370.00	3,696.32	(399.90)	-	4,466.22
Less: Allocated to related works		3,833.98			3,833.98
	47,997.86	16,375.87	409.38	20,241.03	43,723.32
Less: Provision for unserviceable works	22.45	-	(48.99)	-	71.44
Construction stores (net of provision)	2,421.58	-	(479.90)	-	2,901.48
Total #	50,396.99	16,375.87	(21.53)	20,241.03	46,553.36
Previous year	41,091.99	16,906.18	787.49	6,813.69	50,396.99

Includes ₹ 5,242.45 crore (previous year ₹ 6,628.60 crore) share of jointly controlled entities.

* Brought from expenditure during construction period (net) - Note 29

- Construction stores are net of provision for shortages pending investigation amounting to ₹ 0.63 crore (previous year ₹ 1.28 crore)
- Pre-commissioning expenses for the year amounting to ₹ 672.32 crore (previous year ₹ 617.38 crore) and after adjustment of pre-commissioning sales of ₹ 300.68 crore (previous year ₹ 307.02 crore) resulted in net pre-commissioning expenditure of ₹ 371.64 crore (previous year ₹ 310.36 crore).
- Additions to the development of coal mines includes expenditure during construction period of ₹ 96.42 crore (previous year ₹ 84.69 crore).
- Assets under 5 KM scheme of the GOI:**

Assets under 5 KM scheme of the GOI represent expenditure on electrification of villages within 5 KM periphery of the generation plants of the Company in terms of MOP Scheme.

	As at 01.04.2012	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2013
Intangible assets under development					
Software	1.27	0.05	0.04	-	1.28
Total #	1.27	0.05	0.04	-	1.28
Previous year	0.03	1.24	-	-	1.27

Includes ₹ 1.28 crore (previous year ₹ 1.23 crore) share of jointly controlled entities.

14. Non-current Investments

₹ Crore

As at	31.03.2013	31.03.2012		
	Number of shares/bonds/ securities	Face value share/bond/ security		
	Current year/ (previous year)	Current year/ (previous year) (₹)		
Long term-Trade				
Equity Instruments (fully paid up-unless otherwise stated)				
Quoted				
Joint Venture Companies				
PTC India Ltd.	12000000 (12000000)	10 (10)	12.00	12.00
			12.00	12.00
Cooperative societies				
			*	*
Bonds (fully-paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of				
Andhra Pradesh	2521300 (3781950)	1000 (1000)	252.13	378.20
Assam	102928 (154392)	1000 (1000)	10.29	15.44
Bihar	3788800 (5683200)	1000 (1000)	378.88	568.32
Chattisgarh	966440 (1449660)	1000 (1000)	96.64	144.97
Gujarat	1674480 (2511720)	1000 (1000)	167.45	251.17
Haryana	2150000 (3225000)	1000 (1000)	215.00	322.50
Himachal Pradesh	66776 (100164)	1000 (1000)	6.68	10.02
Jammu and Kashmir	734720 (1102080)	1000 (1000)	73.47	110.21
Jharkhand	1920256 (2880376)	1000 (1000)	192.03	288.04
Kerala	2004800 (3007200)	1000 (1000)	200.48	300.72
Madhya Pradesh	1661680 (2492520)	1000 (1000)	166.17	249.25
Maharashtra	762800 (1144200)	1000 (1000)	76.28	114.42
Orissa	2205748 (3308622)	1000 (1000)	220.57	330.86
Punjab	692460 (1038690)	1000 (1000)	69.25	103.87
Rajasthan	435000 (435000)	1000 (1000)	43.50	43.50
Sikkim	68392 (102588)	1000 (1000)	6.84	10.26

As at			₹ Crore	
			31.03.2013	31.03.2012
	Number of shares/bonds/ securities	Face value share/bond/ security		
	Current year/ (previous year)	Current year/ (previous year) (₹)		
Uttar Pradesh	7979800 (11969700)	1000 (1000)	797.98	1,196.97
Uttaranchal	799300 (1198950)	1000 (1000)	79.93	119.89
West Bengal	2348496 (3522744)	1000 (1000)	234.85	352.27
			3,288.42	4,910.88
Total #			3,300.42	4,922.88
Quoted investments				
Book value			12.00	12.00
Market value			71.94	73.32
Unquoted investments				
Book value			3,288.42	4,910.88

Investments have been valued considering the accounting policy no. J.

* Equity shares of ₹ 30,200/- (previous year ₹ 30,200/-) held in various Company's employees co-operative societies.

Share of jointly controlled entities is ₹ Nil (previous year ₹ Nil).

15. Long-term loans and advances (Considered good, unless otherwise stated)

₹ Crore

As at	31.03.2013	31.03.2012
Capital Advances		
Secured	62.90	19.64
Unsecured		
Covered by Bank Guarantee	4,725.28	1,595.31
Others	3,281.30	1,877.95
Considered doubtful	2.54	2.19
Less: Allowance for bad & doubtful advances	2.54	2.19
	8,069.48	3,492.90
Security deposits (unsecured)	93.90	91.61
Loans		
Related parties-Unsecured	0.03	0.05
Employees (including accrued interest)		
Secured	400.27	380.55
Unsecured	144.14	138.24
Loan to state government in settlement of dues from customers- Unsecured	239.31	335.04
Others-Secured	14.29	21.42
	798.04	875.30
Advances		
Contractors & Suppliers, including material issued on loan		
Unsecured	92.18	84.85
Others-Secured	0.18	0.16
	92.36	85.01
Advance tax deposit & tax deducted at source	11,932.58	10,370.99
Less: Provision for current tax	10,036.37	8,770.20
	1,896.21	1,600.79
MAT credit recoverable	108.66	70.44
Total #	11,058.65	6,216.05

Includes ₹ 926.65 crore (previous year ₹ 299.11 crore) share of jointly controlled entities.

- a) Capital advances include ₹ 226.27 crore (previous year ₹ 162.29 crore), paid to a contractor pending settlement of certain claims which are under arbitration. The amount will be adjusted in the cost of related work or recovered from the party, depending upon the outcome of the arbitration proceedings.
- b) Other loans represent loan given to Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC).

16. Other non-current assets

	₹ Crore	
As at	31.03.2013	31.03.2012
Long term trade receivables		
Unsecured, considered good	9.33	1.42
Deferred foreign currency fluctuation asset	1,136.16	1,373.74
Total #	1,145.49	1,375.16

Includes ₹ 10.53 crore (previous year ₹ 1.63 crore) share of jointly controlled entities.

In line with accounting policy no.L.3, deferred foreign currency fluctuation asset has been accounted and (-) ₹ 296.96 crore (previous year ₹ 129.78 crore) being exchange fluctuations on account of interest and finance charges has been recognised as energy sales in Note 23.

17. Current investments

			₹ Crore	
As at			31.03.2013	31.03.2012
	Number of bonds/ securities	Face value per bond/ security		
	Current year/ (previous year)	Current year/ (previous year) (₹)		
Trade				
Current maturities of long term investments				
Bonds (fully-paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of				
Andhra Pradesh	1260650 (1260650)	1000 (1000)	126.07	126.07
Assam	51464 (51464)	1000 (1000)	5.15	5.15
Bihar	1894400 (1894400)	1000 (1000)	189.44	189.44
Chattisgarh	483220 (483220)	1000 (1000)	48.32	48.32
Gujarat	837240 (837240)	1000 (1000)	83.73	83.73
Haryana	1075000 (1075000)	1000 (1000)	107.50	107.50
Himachal Pradesh	33388 (33388)	1000 (1000)	3.34	3.34
Jammu and Kashmir	367360 (367360)	1000 (1000)	36.74	36.74
Jharkhand	960120 (960120)	1000 (1000)	96.01	96.01
Kerala	1002400 (1002400)	1000 (1000)	100.24	100.24
Madhya Pradesh	830840 (830840)	1000 (1000)	83.08	83.08
Maharashtra	381400 (381400)	1000 (1000)	38.14	38.14
Orissa	1102874 (1102874)	1000 (1000)	110.29	110.29
Punjab	346230 (346230)	1000 (1000)	34.62	34.62
Sikkim	34196 (34196)	1000 (1000)	3.42	3.42
Uttar Pradesh	3989900 (3989900)	1000 (1000)	398.99	398.99
Uttaranchal	399650 (399650)	1000 (1000)	39.96	39.96
West Bengal	1174248 (1174248)	1000 (1000)	117.42	117.42
Total[#]			1,622.46	1,622.46
[#] Includes ₹ Nil (previous year ₹ Nil) share of jointly controlled entities.				
Unquoted investments				
Book value			1,622.46	1,622.46
a) Investments have been valued considering the accounting policy no.J.				
b) The above investments are unquoted and hence market value is not applicable.				

18. Inventories

As at	₹ Crore	
	31.03.2013	31.03.2012
Coal	1,039.74	1,258.91
Fuel oil	400.27	261.23
Naphtha	146.77	177.04
Stores and spares	2,440.60	2,080.13
Chemicals & consumables	76.96	48.00
Loose tools	6.76	6.25
Steel scrap	25.89	25.66
Others	503.86	382.14
	4,640.85	4,239.36
Less: Provision for shortages	2.56	2.24
Provision for obsolete/ unserviceable items/ diminution in value of surplus inventory	62.51	59.21
Total #	4,575.78	4,177.91

Includes ₹ 495.57 crore (previous year ₹ 456.28 crore) share of jointly controlled entities.

Inventories include material-in-transit

Coal	79.71	87.58
Stores and spares	31.56	51.23
Chemicals & consumables	0.62	0.25
Loose tools	0.05	0.16
Others	2.75	1.43
	114.69	140.65

- Inventories items, other than steel scrap have been valued considering the accounting policy no. K.1. Steel scrap has been valued at estimated realisable value.
- Inventories-Others include steel, cement, ash bricks etc.

19. Trade Receivables

	₹ Crore	
As at	31.03.2013	31.03.2012
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	204.12	107.18
Considered doubtful	0.03	840.70
Less: Allowance for bad & doubtful receivables	0.03	840.70
	204.12	107.18
 Others- Unsecured, considered good	 5,892.52	 6,573.84
 Total #	 6,096.64	 6,681.02

Includes ₹ 517.53 crore (previous year ₹ 622.69 crore) share of jointly controlled entities.

Refer Note no. 34 for write back of allowance for bad and doubtful receivables.

20. Cash and bank balances

₹ Crore

As at	31.03.2013	31.03.2012
Cash & cash equivalents		
Balances with banks		
Current accounts	418.94	543.83
Deposits with original maturity upto three months	59.53	544.75
Cheques & drafts on hand	74.98	1.83
Cash on hand	-	0.02
Others (stamps in hand)	0.09	0.10
Other bank balances		
Deposits with original maturity of more than three months ^(a)	18,110.68	16,919.18
Others [*]	73.90	77.68
Total #	18,738.12	18,087.39

Includes ₹ 533.54 crore (previous year ₹ 520.25 crore) share of jointly controlled entities.

a) Includes bank deposits with original maturity of more than twelve months amounting to ₹ 0.02 crore (previous year ₹ 9.44 crore).

* Not available for use to the Company and include:

Unpaid dividend account balance	15.67	11.49
Balance with Reserve Bank of India ^{##}	1.77	1.77
Security with government authorities:		
As per court orders	-	0.10
As per demand	0.01	8.61
Margin money with banks	56.45	55.71
	73.90	77.68

Out of margin money kept with Reserve Bank of India in terms of Rule 3A of the Companies (Acceptance of Deposits) Rules, 1975 for fixed deposits from public.

21. Short-term loans and advances (Considered good, unless otherwise stated)

As at	31.03.2013	31.03.2012
₹ Crore		
Loans		
Related parties		
Unsecured	0.04	0.03
Employees(including accrued interest)		
Secured	76.92	70.67
Unsecured	91.68	83.73
Considered doubtful	-	0.22
Loan to state government in settlement of dues from customers-		
Unsecured	95.73	95.73
Others		
Secured	35.71	28.58
Unsecured	-	0.27
Less: Allowance for bad & doubtful loans	-	0.22
	300.08	279.01
Advances		
Related parties		
Unsecured	4.08	1.64
Employees		
Unsecured	9.21	10.07
Considered doubtful	0.11	0.08
Contractors & suppliers, including material issued on loan		
Secured	6.71	5.60
Unsecured	605.88	960.18
Considered doubtful	1.53	1.64
Others		
Unsecured	131.95	97.53
Considered doubtful	1.03	1.01
Less: Allowance for bad & doubtful advances	2.67	2.73
	757.83	1,075.02
Security deposits (Unsecured)	660.39	322.63
Total #	1,718.30	1,676.66

Includes ₹ 107.42 crore (previous year ₹ 111.35 crore) share of jointly controlled entities.

- Other loans represent loans of ₹ 35.71 crore (previous year ₹ 28.58 crore) given to APIIC.
- Other advances mainly represent prepaid expenses amounting to ₹ 57.89 crore (previous year ₹ 54.49 crore).
- Security deposit (unsecured) includes ₹ 200.35 crore (previous year ₹ 163.46 crore) sales tax deposited under protest with sales tax authorities.

22. Other current assets

As at	31.03.2013	₹ Crore 31.03.2012
Interest accrued :		
Bonds	243.19	312.14
Term deposits	875.02	804.91
Others	23.98	18.68
	<u>1,142.19</u>	<u>1,135.73</u>
Claims recoverable		
Unsecured, considered good	4,782.01	1,848.46
Considered doubtful	13.05	13.31
Less: Allowance for doubtful claims	13.05	13.31
	<u>4,782.01</u>	<u>1,848.46</u>
Unbilled revenue	6,127.57	5,966.52
Assets held for disposal	3.03	2.08
Others	12.57	12.87
Total #	<u><u>12,067.37</u></u>	<u><u>8,965.66</u></u>

Includes ₹ 285.44 crore (previous year ₹ 193.37 crore) share of jointly controlled entities.

- a) Others include amount recoverable from contractors and other parties towards hire charges, rent/electricity, etc.
- b) Claims recoverables include ₹ 894.72 crore (previous year ₹ 766.12 crore) towards the cost incurred upto 31st March 2013 in respect of one of the hydro power projects, the construction of which has been discontinued on the advice of the Ministry of Power, GOI. This includes ₹ 109.65 crore (previous year ₹ Nil) in respect of two arbitration awards challenged/being challenged by the Company before High Court. In the event the High Court grants relief to the Company, the amount would be adjusted against Short Term Provisions - Others (Note 11). Management expects that the total cost incurred, anticipated expenditure on the safety and stabilisation measures, other recurring site expenses and interest costs as well as claims of contractors/vendors for various packages for this project will be compensated in full by the GOI. Hence no provision is considered necessary.
- c) Claims recoverable includes ₹ 2,520.08 crore (previous year Nil) recoverable from Government of National Capital Territory of Delhi (GNCTD) towards settlement of dues of erstwhile Delhi Electric Supply Undertaking (DESU). (Refer Note 34).
- d) Unbilled revenue is net off credits to be passed to beneficiaries at the time of billing and includes ₹ 6,508.72 crore (previous year ₹ 5,411.93 crore) billed to the beneficiaries after 31st March for energy sales, sale of goods and services.

23. Revenue from operations (gross)

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Energy sales (including electricity duty)	67,996.09	64,840.13
Consultancy, project management and supervision fee (including turnkey construction projects)	401.67	464.74
Sale of goods (including excise duty)	126.69	126.09
	<u>68,524.45</u>	<u>65,430.96</u>
Energy internally consumed	93.17	85.61
Other operating revenues		
Interest from customers	432.60	515.31
Recognized from deferred foreign currency fluctuation liability	3.52	0.16
Miscellaneous income	49.22	16.53
Provisions written back		
Tariff adjustment	-	312.75
Doubtful debts	840.67	0.14
Doubtful loans, advances and claims	0.33	0.14
Doubtful construction advances	-	0.03
Shortage in construction stores	1.12	0.34
Shortage in stores	0.71	1.10
Obsolescence in stores	1.30	1.02
Unserviceable capital works	0.90	-
Others	0.39	1.80
	<u>845.42</u>	<u>317.32</u>
Total[#]	<u><u>69,948.38</u></u>	<u><u>66,365.89</u></u>

[#] Includes ₹ 3,642.66 crore (previous year ₹ 3,662.79 crore) share of jointly controlled entities.

- a) The Central Electricity Regulatory Commission (CERC) notified the Tariff Regulations, 2009 in January 2009, and First, Second and Third Amendments thereto in May 2011, June 2011 and December 2012 respectively (Regulations, 2009). In line with the Regulations, 2009, the CERC has issued provisional/final tariff orders w.e.f. 1st April 2009 for all the stations except for Talcher Thermal Power Station (TTPS). Beneficiaries are billed in accordance with the said provisional/final tariff orders except for three stations where it is done on provisional basis. The amount billed for the year ended 31st March 2013 on this basis is ₹ 61,794.68 crore (previous year ₹ 59,965.57 crore).

23. Revenue from operations (gross)

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
b)	<p>In respect of stations for which the CERC has issued final tariff orders under the Regulations, 2009 and Renewable Energy Regulations, 2009, sales have been recognised at ₹ 54,588.81 crore for the year ended 31st March 2013 (previous year ₹ 55,537.41 crore) after truing up capital expenditure to arrive at the capacity charges. For other stations, pending determination of station-wise final tariff by the CERC, sales have been provisionally recognized at ₹ 8,059.66 crore for the year ended 31st March 2013 (previous year ₹ 5,145.38 crore) on the basis of principles enunciated in the said Regulations, 2009 after truing up capital expenditure to arrive at the capacity charges.</p>	
c)	<p>Sales include ₹ 1,241.90 crore for the year ended 31st March 2013 (previous year ₹ 547.78 crore) pertaining to previous years recognized based on the orders issued by the CERC/Appellate Tribunal for Electricity (APTEL).</p>	
d)	<p>The Company aggrieved over many of the issues as considered by the CERC in the tariff orders for its stations for the period 2004-09 had filed appeals with the APTEL. The APTEL disposed off the appeals favourably directing the CERC to revise the tariff orders as per directions and methodology given. Some of the issues decided in favour of the Company by the APTEL were challenged by the CERC in the Hon'ble Supreme Court of India. Subsequently, the CERC has issued revised tariff orders for all the stations except one for the period 2004-09, considering the judgment of APTEL subject to disposal of appeals pending before the Hon'ble Supreme Court of India. Consequently, the impact of the aforesaid issues amounting to (-) ₹ 45.95 crore (previous year (-) ₹ 49.16 crore) has been recognized as sales during the year ended 31st March 2013 with corresponding adjustment in 'Provision for Tariff Adjustment'.</p>	
e)	<p>Sales include ₹ 246.04 crore for the year ended 31st March 2013 (previous year (-) ₹ 266.14 crore) on account of income-tax recoverable from customers as per Regulations, 2004. Sales also include ₹ 53.16 crore (previous year ₹ 37.77 crore) for the year ended 31st March 2013 on account of deferred tax materialized which is recoverable from customers as per Regulations, 2009.</p>	
f)	<p>Electricity duty on energy sales amounting to ₹ 564.35 crore (previous year ₹ 428.65 crore) has been reduced from sales in the statement of profit and loss.</p>	
g)	<p>Revenue from operations include ₹ 93.17 crore (previous year ₹ 85.61 crore) towards energy internally consumed, valued at variable cost of generation and the corresponding amount is included in power charges (Note-27).</p>	
h)	<p>CERC Regulations provides that where after the truing-up, the tariff recovered is less than the tariff approved by the Commission, the generating Company shall recover from the beneficiaries the under recovered amount along-with simple interest. Accordingly, the interest recoverable from the beneficiaries has been accounted and disclosed as 'Interest from customers'.</p>	
i)	<p>Refer Note 34 (a) in respect of write back of provision for doubtful debts.</p>	

24. Other income

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Interest from		
Long-term investments - Government securities (8.5% tax free bonds)	520.86	659.38
Others		
Loan to state government in settlement of dues from customers	34.58	42.72
Loan to employees	29.21	25.55
Contractors	43.84	39.28
Deposits with banks	1,920.20	1,679.41
Income tax refunds	39.48	100.42
Less : Refundable to customers	0.02	34.47
	39.46	65.95
Others	9.36	12.23
Dividend from		
Long-term investments in		
Joint ventures	103.66	60.16
Current investments in		
Mutual funds	114.13	91.55
Other non-operating income		
Surcharge received from customers	88.67	1.39
Hire charges for equipment	4.35	3.26
Net gain in foreign currency transactions & translations	28.12	61.25
Sale of scrap	89.06	80.08
Liquidated damages recovered	11.82	7.13
Miscellaneous income	211.44	243.78
Profit on disposal of fixed assets	4.76	13.40
	3,253.52	3,086.52
Less: Transferred to expenditure during construction period (net)-Note 29	53.35	73.09
Transferred to development of coal mines	8.30	2.95
Transferred to deferred foreign currency fluctuation asset/liability	27.90	61.25
Total#	3,163.97	2,949.23

Includes ₹ 56.57 crore (previous year ₹ 43.47 crore) share of jointly controlled entities.

Miscellaneous income includes income from township recoveries and receipts towards insurance claims.

25. Employee benefits expense

₹ Crore

For the year ended	31.03.2013	31.03.2012
Salaries and wages	3,667.99	3,371.60
Contribution to provident and other funds	392.73	320.25
Staff welfare expenses	373.11	312.66
	4,433.83	4,004.51
Less: Allocated to fuel cost / Ash utilisation fund	204.56	173.95
Transferred to development of coal mines	34.31	32.00
Transferred to expenditure during construction period (net)- Note 29	643.58	537.60
Total #	3,551.38	3,260.96

Includes ₹ 138.06 crore (previous year ₹ 113.94 crore) share of jointly controlled entities.

Disclosures required by AS 15 in respect of provision made towards various employees benefits is made in Note 41.

26. Finance costs

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Interest on		
Bonds	900.87	831.50
Foreign currency term loans	235.33	205.71
Rupee term loans	3,833.62	3,170.07
Public deposits	0.16	1.24
Foreign currency bonds/notes	345.91	184.32
Cash credit	21.01	9.80
Others	73.22	66.07
	<u>5,410.12</u>	<u>4,468.71</u>
Other borrowing costs		
Bonds servicing & public deposit expenses	2.38	2.18
Guarantee fee	40.19	38.47
Management fee	36.24	10.97
Up-front fee	23.87	28.83
Foreign currency bonds/notes expenses	6.05	17.10
Insurance premium on foreign currency loans	27.39	-
Others	3.28	1.13
	<u>139.40</u>	<u>98.68</u>
	(350.21)	350.21
Exchange differences regarded as an adjustment to interest costs		
	5,199.31	4,917.60
Less: Transferred to expenditure during construction period (net)-Note 29	2,672.25	2,749.14
Transferred to development of coal mines	46.52	33.74
Total[#]	<u><u>2,480.54</u></u>	<u><u>2,134.72</u></u>

[#] Includes ₹ 557.26 crore (previous year ₹ 416.17 crore) share of jointly controlled entities.

27. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Power charges	204.31	244.98
Less: Recovered from contractors & employees	<u>18.88</u>	<u>18.35</u>
	185.43	226.63
Water charges	508.16	345.00
Stores consumed	49.90	48.02
Rent	37.16	35.18
Less: Recoveries	<u>7.84</u>	<u>8.16</u>
	29.32	27.02
Load dispatch centre charges	42.41	43.53
Repairs & maintenance		
Buildings	181.08	149.78
Plant & machinery		
Power stations	1,923.17	1,676.32
Construction equipments	<u>1.09</u>	<u>0.95</u>
	1,924.26	1,677.27
Others	113.35	103.22
Insurance	111.61	103.78
Interest payable to customers	5.72	(67.57)
Rates and taxes	38.11	27.41
Water cess & environment protection cess	35.82	25.72
Training & recruitment expenses	64.80	73.99
Less: Fees for application and training	<u>1.60</u>	<u>1.34</u>
	63.20	72.65
Communication expenses	48.82	41.80
Travelling expenses	198.72	185.87
Tender expenses	24.52	23.98
Less: Receipt from sale of tenders	<u>3.11</u>	<u>2.34</u>
	21.41	21.64
Payment to auditors	3.29	2.99
Advertisement and publicity	13.92	12.69
Security expenses	357.79	314.32
Entertainment expenses	15.09	14.28
Expenses for guest house	21.26	17.89
Less: Recoveries	<u>2.75</u>	<u>2.23</u>
	18.51	15.66
Education expenses	9.41	10.14
Brokerage & commission	3.47	3.35
Community development and welfare expenses	86.96	59.33
Less: Grants-in-aid	<u>0.39</u>	<u>0.24</u>
	86.57	59.09
Ash utilisation & marketing expenses	10.93	6.32
Less: Sale of ash products	<u>0.04</u>	<u>0.06</u>
	10.89	6.26
Directors sitting fee	0.35	0.30
Books and periodicals	2.72	2.01
Professional charges and consultancy fees	41.14	52.10
Legal expenses	28.34	16.60
EDP hire and other charges	15.34	15.17

27. Generation, administration & other expenses

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Printing and stationery	13.70	12.67
Oil & gas exploration expenses	8.78	14.34
Hiring of Vehicles	63.22	53.31
Rebate to customers	579.81	662.60
Reimbursement of L.C.charges on sales realisation	0.60	4.10
Bank charges	4.90	4.22
Net loss in foreign currency transactions & translations	6.11	37.24
Miscellaneous expenses	113.03	104.66
Stores written off	0.14	0.15
Survey & investigation expenses written off	4.12	7.74
Loss on disposal/write-off of fixed assets	62.25	66.48
	5,020.81	4,524.24
Less: Allocated to fuel cost / Ash utilisation fund	297.10	243.79
Transferred to development of coal mines	13.62	12.92
Transferred to deferred foreign currency fluctuation asset/liability	2.30	17.64
Transferred to expenditure during construction period(net) - Note 29	395.58	444.14
	4,312.21	3,805.75
Provisions for		
Tariff adjustments	103.24	14.69
Doubtful debts	-	1.01
Doubtful loans, advances and claims	0.09	0.05
Shortage in stores	2.01	1.26
Obsolescence in stores	4.67	10.77
Shortage in construction stores	0.39	0.79
Unserviceable capital work-in-progress	49.89	3.54
Unfinished minimum work programme for oil and gas exploration	5.08	41.19
Others	43.85	2.53
	209.22	75.83
Total #	4,521.43	3,881.58

Includes ₹ 256.79 crore (previous year ₹ 275.09 crore) share of jointly controlled entities.

- a) Spares consumption included in repairs and maintenance 1,017.41 865.49
- b) CERC Regulations provides that where after the truing-up, the tariff recovered is more than the tariff approved by the Commission, the generating Company shall pay to the beneficiaries the over recovered amount along-with simple interest. Accordingly, the interest payable to the beneficiaries has been accounted and disclosed as 'Interest payable to customers'.

28. Prior period items (Net)

₹ Crore

For the year ended	31.03.2013	31.03.2012
Revenue		
Sales	0.06	9.00
Others	8.58	2.23
	8.64	11.23
Expenditure		
Employee benefits expense	(5.13)	(328.22)
Finance costs		
Interest	(12.00)	(0.44)
Other borrowing costs	(7.91)	-
Depreciation and amortisation	3.93	(0.43)
Generation, administration and other expenses		
Repairs and maintenance	0.77	(1.98)
Professional consultancy charges	0.15	0.64
Communication expenses	0.66	0.04
Advertisement and publicity	0.12	-
Rates & taxes	(0.07)	0.24
Rent	(0.31)	1.23
Net loss in foreign currency transactions & translations	0.72	-
Others	(8.46)	2.00
	(27.53)	(326.92)
Net Expenditure/(Revenue)	(36.17)	(338.15)
Less: Transferred to expenditure during construction period (net)-Note 29	(3.11)	(20.25)
Transferred to deferred foreign currency fluctuation asset/liability	0.72	-
Transferred to development of coal mines	-	(1.84)
Total #	(33.78)	(316.06)

Includes ₹ 1.25 crore (previous year ₹ 0.86 crore) share of jointly controlled entities.

29. Expenditure during construction period (net)

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
A. Employee benefits expense		
Salaries and wages	561.24	471.88
Contribution to provident and other funds	45.45	37.01
Staff welfare expenses	36.89	28.71
Total (A)	643.58	537.60
B. Finance costs		
Interest on		
Bonds	390.47	467.08
Foreign currency term loans	94.88	99.93
Rupee term loans	2,032.61	1,824.03
Foreign currency bonds/notes	222.88	104.91
Other borrowing costs		
Foreign currency bonds/notes expenses	5.54	10.47
Management/arrangers/upfront fee	60.11	20.77
Others	51.01	36.70
Exchange differences regarded as an adjustment to interest costs	(185.25)	185.25
Total (B)	2,672.25	2,749.14
C. Depreciation and amortisation	41.37	37.17
D. Generation, administration & other expenses		
Power charges	128.17	172.27
Less: Recovered from contractors & employees	1.92	2.10
	126.25	170.17
Water charges	11.19	47.88
Rent	5.85	5.40
Repairs & maintenance		
Buildings	9.25	8.35
Construction equipment	0.97	0.59
Others	28.55	21.89
	38.77	30.83
Insurance	2.26	2.12
Rates and taxes	1.39	2.54
Communication expenses	7.61	6.46
Travelling expenses	40.49	36.39
Tender expenses	7.42	5.34
Less: Income from sale of tenders	0.10	0.10
	7.32	5.24
Payment to auditors	0.07	0.05
Advertisement and publicity	1.73	0.89
Security expenses	58.84	50.08

29. Expenditure during construction period (net)

	₹ Crore	
For the year ended	31.03.2013	31.03.2012
Entertainment expenses	2.77	2.92
Guest house expenses	5.33	3.94
Education expenses	0.01	0.02
Books and periodicals	0.93	0.35
Community development expenses	8.02	2.92
Professional charges and consultancy fee	9.95	15.67
Legal expenses	5.55	2.28
EDP hire and other charges	1.54	1.34
Printing and stationery	1.61	1.49
Miscellaneous expenses	58.10	55.16
Total (D)	395.58	444.14
E. Less: Other income		
Hire charges	3.76	2.79
Sale of scrap	1.30	8.29
Interest from contractors	28.10	33.40
Interest others	6.32	19.68
Miscellaneous income	13.87	8.93
Total (E)	53.35	73.09
F. Prior period items (net)	(3.11)	(20.25)
Grand total (A+B+C+D-E+F) #	3,696.32	3,674.71

* Carried to capital work-in-progress - (Note 13)

Includes ₹ 470.36 crore (previous year ₹ 446.50 crore) share of jointly controlled entities.

30. Previous year figures have been regrouped /rearranged wherever considered necessary.
31. Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as other-wise stated. Certain amounts, which do not appear due to rounding off, are disclosed separately.

32. BASIS OF CONSOLIDATION

- A. The consolidated financial statements relate to NTPC Ltd. (the Company), its Subsidiaries and interest in Joint Ventures, together referred to as 'Group'.

a) Basis of Accounting:

- i) The financial statements of the Subsidiary Companies and Joint Ventures in the consolidation are drawn up to the same reporting date as of the Company for the purpose of consolidation.
- ii) The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21 - 'Consolidated Financial Statements' and Accounting Standard (AS) 27 – 'Financial Reporting of Interest in Joint Ventures' of Companies (Accounting Standards) Rules, 2006 and generally accepted accounting principles.

b) Principles of consolidation:

The consolidated financial statements have been prepared as per the following principles:

- i) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together of the like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions, unrealised profits or losses and minority interest have been separately disclosed.
- ii) The consolidated financial statements include the interest of the Company in joint ventures, which has been accounted for using the proportionate consolidation method of accounting and reporting whereby the Company's share of each asset, liability, income and expense of a jointly controlled entity is considered as a separate line item.
- iii) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except as otherwise stated in the notes to the accounts.
- iv) The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries and joint ventures is identified in the financial statements as goodwill or capital reserve, as the case may be.

- B. The Subsidiaries and Joint Venture Companies considered in the financial statements are as follows:

Name of the Company	Proportion (%) of Shareholding as on	
	31.03.2013	31.03.2012
Subsidiary Companies:		
1.NTPC Electric Supply Company Ltd.(including its 50% interest in KINESCO Power & Utilities Private Ltd. a joint venture with KINFRA, a statutory body of Government of Kerala)	100.00	100.00
2. NTPC Hydro Ltd.(under amalgamation with NTPC Ltd.)	100.00	100.00
3. NTPC Vidyut Vyapar Nigam Ltd.	100.00	100.00
4. Kanti Bijlee Utpadan Nigam Ltd.	65.00	64.93
5. Bhartiya Rail Bijlee Company Ltd.	74.00	74.00

Joint Venture Companies:	Proportion (%) of Shareholding as on	
	31.03.2013	31.03.2012
A. Incorporated in India		
1. Utility Powertech Ltd.	50.00	50.00
2. NTPC - Alstom Power Services Private Ltd.	50.00	50.00
3. NTPC-SAIL Power Company Private Ltd.*	50.00	50.00
4. NTPC-Tamilnadu Energy Company Ltd.	50.00	50.00
5. Ratnagiri Gas & Power Private Ltd.*	33.41	31.52
6. Aravali Power Company Private Ltd.	50.00	50.00
7. NTPC-SCCL Global Ventures Private Ltd.*	50.00	50.00
8. Meja Urja Nigam Private Ltd.	50.00	50.00
9. NTPC - BHEL Power Projects Private Ltd.*	50.00	50.00
10. BF - NTPC Energy Systems Ltd.*	49.00	49.00
11. Nabinagar Power Generating Company Private Ltd.	50.00	50.00
12. National Power Exchange Ltd.*	16.67	16.67
13. International Coal Ventures Private. Ltd.*	14.28	14.28
14. National High Power Test Laboratory Private Ltd.	20.00	25.00
15. Transformers & Electricals Kerala Ltd.	44.60	44.60
16. Energy Efficiency Services Ltd.*	25.00	25.00
17. CIL NTPC Urja Private Ltd.*	50.00	50.00
18. Anushakti Vidyut Nigam Ltd.*	49.00	49.00
19. Pan-Asian Renewables Private Ltd.*	50.00	50.00
B. Incorporated outside India		
1. Trincomalee Power Company Ltd.* (incorporated in Srilanka)	50.00	50.00
2. Bangladesh -India Friendship Power Company Private Ltd. \$ (incorporated in Bangladesh)	50.00	-

* The financial statements are un-audited.

\$ The joint venture in which shares are to be held by the Company and Bangladesh Power Development Board, equally was incorporated on 31st October 2012 for developing coal based power plants in Bangladesh. No investment has been made as at 31st March 2013. Further, there were no financial transactions during the year.

C. In the previous year, Board of directors of the company has accorded in-principle approval for amalgamation of NTPC Hydro Limited, a 100% subsidiary company, with NTPC limited. The activities relating to the amalgamation are in progress.

D. i) The Company along-with some public sector undertakings has entered into Production Sharing Contracts (PSCs) with GOI for three exploration blocks namely KG- OSN-2009/1, KG-OSN-2009/4 and AN-DWN-2009/13 under VIII round of New Exploration Licensing Policy (NELP VIII) with 10% participating interest (PI) in each of the blocks.

Based on the un-audited statement of the accounts for the above blocks forwarded by M/s Oil & Natural Gas Corporation Ltd., the operator, the Company's share in respect of assets and liabilities as at 31st March 2013 and expenditure for the year are given below:

₹ Crore

Item	2012-13 (Un-audited)	2011-12 (Un-audited)
Expenses	2.28	3.61
Assets	0.06	0.03
Liabilities	1.43	0.95
Capital Commitments (Unfinished MWP)	91.49	88.48

It is also informed that exploration activities in block KG-OSN-2009/4 has been suspended w.e.f. 11.01.2012 due to non clearance by Defence Ministry, GOI. Further in case of AN-DWN 2009/13, GSPC has submitted notice of withdrawal from the block subsequent to completion of minimum work programme and ONGC has decided to acquire 10% participating interest of GSPC.

- ii) Exploration activities in the block AA-ONN-2003/2 were abandoned in January 2011 due to unforeseen geological conditions & withdrawal of the operator. Attempts to reconstitute the consortium to accomplish the residual exploratory activities did not yield result. In the meanwhile, Ministry of Petroleum & Natural Gas demanded the cost of unfinished minimum work programme to the consortium with NTPC's share being USD 7.516 million. During the year provision in this respect has been updated to ₹ 46.27 crore from ₹ 41.19 crore along with interest. The Company has sought waiver of the claim citing force majeure conditions at site leading to discontinuation of exploratory activities.

The Company has accounted for expenditure of ₹ 0.09 crore for the year 2012-13 towards the establishment expenses of M/s Geopetrol International, the operator to complete the winding up activities of the Block. The Company's share in the assets and liabilities as at 31st March 2013 and expenditure for the year is as under:

₹ Crore

Item	2012-13 (Un-audited)	2011-12 (Un-audited)
Expenses	0.22	0.18
Assets	14.64	14.64
Liabilities	2.32	2.10
Contingent liabilities	41.42	67.57

- E. Reduction in the share holding in NHPTL during the year is due to fresh allotment of shares to other partner by the Joint Venture Company.
- F. The company is of the view that the provisions of Accounting Standard (AS) 18 'Related Party Disclosures' and AS 27- 'Financial Reporting of Interests in Joint Ventures' are not applicable to the investment made in PTC India Ltd. and the same is not included in the consolidated financial statements.

33. a) Some of the balances of trade/other payables and loans and advances 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 fixed assets 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.
34. a) Government of India, Ministry of Power vide its letters F.No.6/1/2007-Fin.(Vol.VIII) dated 5th February 2013 and 29th March 2013 directed Government of National Capital Territory of Delhi (GNCTD) to release payment towards settlement of dues of erstwhile Delhi Electric Supply Undertaking (DESU) amounting to ₹ 835.97 crore as principal and ₹ 1,684.11 crore as interest to the company. Consequently, provision for doubtful debt of ₹ 835.97 crore has been written back (Note 23) and interest of ₹ 1,684.11 crore has been recognised as an exceptional item in the Statement of Profit and Loss during the year.
- b) NVVN, the subsidiary of the Company had recognised ₹115.82 crore as revenue towards bank guarantee encashed in the previous year in respect of vendors in default relating to bid guarantee submitted for establishment of solar power plants under the Jawaharlal Nehru National Solar Mission. As per the clarification received during the year from the Ministry of New and Renewable Energy, the aforesaid amount has been reversed and disclosed under exceptional items by transferring the same under Other Current Liabilities.
35. Vide gazette notification F no.22021/1/2008-CRC/II dated 30.12.2011 issued by Ministry of Coal (MoC), grading and pricing of non-coking coal was migrated from Useful Heat Value (UHV) to Gross Calorific Value (GCV) based system w.e.f. 1st January 2012. The Coal Supply Agreements (CSAs) entered into by the Company were required to be amended to incorporate acceptable procedures for sample collection, preparation, testing and analysis, to facilitate such migration, which are still pending. The Company's Board of Directors approved payments to the coal companies based on the GCV based pricing system, and directed to frame modalities for implementation of GCV based grading system. Accordingly, modalities were framed to effect joint sampling and testing of coal at mine end/station end and future payments to coal companies. The above modalities were communicated to the coal companies w.e.f. October/ November 2012, thereafter the Company released payments on the basis of GCV measured at station end following the implementation of the said modalities since variation in the GCV of coal supplied and received at power stations was noticed. The Company regularly informed coal companies about this variation which has not been accepted by them. The issue has been taken up with the coal companies directly and through the MoP and MoC, GOI for resolution. Pending resolution of the issue, difference between the amount billed by the coal companies and the amounts admitted by the company is disclosed as contingent liability with corresponding possible reimbursements from the beneficiaries (Refer Note-50).
36. The levy of transit fee/entry tax on supplies of fuel to some of the power stations has been paid under protest as the matters are subjudice at various courts. In case the Company gets refund/demand from fuel suppliers/tax authorities on settlement of these cases, the same will be passed on to respective beneficiaries.
37. NTPC Vidyut Vyapar Nigam Ltd. (NVVN) inter-alia is engaged in sale of fly ash & cenosphere which are given by the company free of cost. Pursuant to the gazette notification D.O.S.O 2804(E) dated 3rd November 2009, issued by the Ministry of Environment and Forest (MOEF) GOI, the NVVN has created fly ash utilisation fund and a sum of ₹ 107.96 crore (previous year ₹ 68.02 crore) has been credited to the fund during the year after netting of related/allocable cost of ₹ 20.60 crore (previous year ₹ 16.29 crore) from the sale proceeds.
38. **Disclosure as per Accounting Standard - 5 'Net profit or loss for the period , prior period items and changes in Accounting Policies'**
- a) Ministry of Corporate Affairs, Government of India through Circular no. 25/2012 dated 9th August 2012 has clarified that para 6 of Accounting Standard (AS) 11 and para 4 (e) of AS 16 shall not apply to a Company which is applying para 46-A of AS 11. Accordingly, Company has modified the related accounting policies. Consequently, exchange differences arising on settlement/translation of foreign currency loans to the extent regarded as an adjustment to interest costs as per para 4 (e) of AS 16 and hitherto charged to statement of Profit and Loss, have now been adjusted in the cost of related assets. As a result, profit for the year ended 31st March 2013 is higher by ₹ 14.80 crore, fixed assets are higher by ₹ 173.56 crore and Deferred Income from Foreign Currency Fluctuation is higher by ₹ 158.76 crore.

- b) During the year, the Company reviewed its policy for accounting of carpet coal which was hitherto charged to the statement of Profit and Loss and capitalised the cost of carpet coal with the coal handling plant. Consequently, tangible assets and profit for the year of the Group are higher by ₹ 30.78 crore.
- c) During the year, the Company has reviewed and modified the accounting policy related to amortisation of other intangible assets to bring more clarity. However, this does not have any impact on accounts for the year.

39. Disclosure as per Accounting Standard - 11 on 'Effects of Changes in Foreign Exchange Rates'

The effect of foreign exchange fluctuation during the year is as under:

- i) The amount of exchange differences (net) debited to the Statement of Profit & Loss is ₹ 3.59 crore (previous year debit of ₹ 19.60 crore).
- ii) The amount of exchange differences (net) debited to the carrying amount of Fixed Assets is ₹ 1,056.01 crore (previous year debit of ₹ 1,671.05 crore).

40. Disclosure as per Accounting Standard - 12 on 'Accounting for Government Grants'

Revenue grant recognised during the year is ₹ 0.39 crore (previous year ₹ 0.24 crore).

41. Disclosure as per Accounting Standard - 15 on 'Employee Benefits'

General description of various employee benefit schemes are as under:

A. Provident Fund

Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution of ₹ 196.50 crore (previous year ₹ 186.36 crore) to the funds for the year is recognised as expense and is charged to the statement of profit and loss. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence, no further provision is considered necessary. The details of fair value of plan assets and obligations are as under:

Particulars	₹ Crore	
	31.03.2013	31.03.2012
Obligations at the end of the year	4,755.00	4118.35
Fair value of plan assets at the end of the year	4,812.77	4183.86

B. Gratuity & Pension

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.10 crore on superannuation, resignation, termination, disablement or on death.

The Company has a scheme of pension at one of the stations in respect of employees taken over from erstwhile state government power utility. In respect of other employees of the Company, pension scheme is yet to be implemented as stated in Note 11 (b).

The existing schemes are funded by the Company and are managed by separate trusts. The liability for the same is recognised on the basis of actuarial valuation.

C. Post-Retirement Medical Facility (PRMF)

The Company has Post-Retirement Medical Facility (PRMF), under which a retired employee and his / her spouse are provided medical facilities in the Company hospitals/empanelled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company. The liability for the same is recognised on the basis of actuarial valuation.

D. Terminal Benefits

Terminal benefits include settlement at home town for employees & dependents and farewell gift to the superannuating employees. Further, the Company also provides for pension in respect of employees taken over from erstwhile State Government Power Utility at another station. The liability for the same is recognised on the basis of actuarial valuation.

E. Leave

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. 73.33 % of the earned leave is en-cashable while in service, and upto a maximum of 300 days on separation. Half-pay leave is en-cashable only on separation beyond the age of 50 years up to the maximum of 240 days (HPL). However, total amount of leave that can be encashed on superannuation shall be restricted to 300 days and no commutation of half-pay leave shall be permissible. The liability for the same is recognised on the basis of actuarial valuation.

The above mentioned schemes (C, D and E) are unfunded and are recognised on the basis of actuarial valuation.

The summarised position of various defined benefits recognised in the Statement of Profit and Loss, balance sheet are as under:

(Figures given in { } are for previous year)

i) Expenses recognised in Statement of Profit & Loss

	₹ Crore			
	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Current Service Cost	66.42 {60.03}	13.91 {11.12}	51.14 {42.67}	5.61 {5.09}
Past Service Cost	0.00 {-}	- {-}	- {-}	- {-}
Interest cost on benefit obligation	103.92 {101.41}	29.69 {26.61}	59.70 {55.86}	18.36 {16.35}
Expected return on plan assets	(93.42) {(82.94)}	- {-}	- {-}	- {-}
Net actuarial (gain)/ loss recognised in the year	48.29 {1.56}	51.09 {29.38}	185.46 {88.02}	30.21 {25.94}
Expenses recognised in the Statement of Profit & Loss	125.21 {80.06}	94.69 {67.11}	296.30 {186.55}	54.18 {47.38}

ii) The amount recognised in the Balance Sheet

	₹ Crore			
	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 31.03.2013	1,445.02 {1298.60}	452.94 {371.11}	861.73 {746.01}	272.40 {229.83}
Fair value of plan assets as at 31.03.2013	1,263.83 {1169.90}	- {-}	- {-}	- {-}
Net liability recognised in the Balance Sheet	181.19 {128.70}	452.94 {371.11}	861.73 {746.01}	272.40 {229.83}

iii) Changes in the present value of the defined benefit obligations:

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 01.04.2012	1,298.60 {1193.04}	371.11 {313.07}	746.01 {656.81}	229.83 {192.53}
Interest cost	103.92 {101.41}	29.69 {26.61}	59.70 {55.86}	18.36 {16.35}
Current Service Cost	66.42 {60.03}	13.91 {11.12}	51.14 {42.67}	5.61 {5.09}
Past Service Cost	- {-}	- {-}	- {-}	- {-}
Benefits paid	(81.65) {(69.86)}	(12.86) {(9.07)}	(180.58) {(97.35)}	(11.61) {(10.08)}
Net actuarial (gain)/ loss on obligation	57.73 {13.98}	51.09 {29.38}	185.46 {88.02}	30.21 {25.94}
Present value of the defined benefit obligation as at 31.03.2013	1,445.02 {1298.60}	452.94 {371.11}	861.73 {746.01}	272.40 {229.83}

iv) Changes in the fair value of plan assets:

₹ Crore

	Gratuity & Pension	PRMF	Leave	Terminal Benefits
Fair value of plan assets as at 01.04.2012	1169.90 {1039.04}	- {-}	- {-}	- {-}
Expected return on plan assets	93.42 {82.94}	- {-}	- {-}	- {-}
Contributions by employer	68.05 {101.39}	- {-}	- {-}	- {-}
Benefit paid	(76.98) {(65.89)}	- {-}	- {-}	- {-}
Actuarial gain / (loss)	9.44 {12.42}	- {-}	- {-}	- {-}
Fair value of plan assets as at 31.03.2013	1,263.83 {1169.90}	- {-}	- {-}	- {-}

v) The effect of one percentage point increase/decrease in the medical cost of PRMF will be as under:

₹ Crore

Particulars	Increase by	Decrease by
Service and Interest cost	5.72	(6.27)
Present value of obligation	73.42	(60.22)

F. Other Employee Benefits

Provision for Long Service Award and Family Economic Rehabilitation Scheme amounting to ₹ 3.39 crore (previous year debit of ₹ 4.85 crore) for the year have been made on the basis of actuarial valuation at the year end and credited to the Statement of Profit & Loss.

42. Disclosure as per Accounting Standard - 16 on 'Borrowing Costs'

Borrowing costs capitalised during the year are ₹ 2,718.48 crore (previous year ₹ 2,782.88 crore).

43. **Disclosure as per Accounting Standard - 17 on 'Segment Reporting'**

Segment information:

a) Business Segments

The Group's principal business is generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy, project management and supervision, oil and gas exploration and coal mining.

b) Segment Revenue and Expense

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

c) Segment Assets and Liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Construction work-in-progress, construction stores and advances are included in unallocated corporate and other assets. Segment liabilities include operating liabilities and provisions.

(₹ Crore)

	Business Segments				Total	
	Generation		Others		Current Year	Previous Year
	Current Year	Previous Year	Current Year	Previous Year		
Revenue :						
Sale of energy/consultancy, project management and supervision fees *	67,407.11	64,332.47	619.37	653.44	68,026.48	64,985.91
Other income**	3,394.25	1,151.64	(78.25)	146.63	3,316.00	1,298.27
Total	70,801.36	65,484.11	541.12	800.07	71,342.48	66,284.18
Segment result #	17,330.24	13,336.59	(54.48)	192.38	17,275.76	13,528.97
Unallocated corporate interest and other income					2,766.60	2,558.30
Unallocated corporate expenses, interest and finance charges					3,431.41	2,950.01
Profit before tax					16,610.95	13,137.26
Income tax (net)					4,024.73	3,322.60
Profit after tax					12,586.22	9,814.66
Other information						
Segment assets	88,065.86	73,203.85	2,506.08	2,243.93	90,571.94	75,447.78
Unallocated corporate and other assets					88,138.64	79,807.16
Total assets	88,065.86	73,203.85	2,506.08	2,243.93	1,78,710.58	1,55,254.94
Segment liabilities	13,578.61	10,803.08	2,167.99	1,794.67	15,746.60	12,597.75
Unallocated corporate and other liabilities					81,723.03	68,381.38
Total liabilities	13,578.61	10,803.08	2,167.99	1,794.67	97,469.63	80,979.13
Depreciation (including prior period)	3,786.48	3,067.39	3.32	2.40	3,789.80	3,069.79
Non-cash expenses other than depreciation	169.63	15.29	5.08	41.19	174.71	56.48
Capital expenditure	23,494.47	17,710.56	615.17	315.31	24,109.64	18,025.87

* Includes ₹ 1,487.94 crore (previous year ₹ 281.64 crore) for sales related to earlier years.

** Generation segment includes ₹1,684.11 crore (previous year Nil) and other segment (-) ₹115.82 crore (previous year Nil) towards exceptional items (Refer Note no.34).

Generation segment result would have been ₹ 15,842.30 crore (previous year ₹ 13,054.95 crore) without including the sales related to earlier years.

d) The operations of the Group are mainly carried out within the country and therefore, geographical segments are inapplicable.

44. **Disclosure as per Accounting Standard - 18 on 'Related Party Disclosures'**

a) Related parties:

i) Joint ventures:

Utility Powertech Ltd., NTPC-Alstom Power Services Private Ltd., BF-NTPC Energy Systems Ltd., Pan-Asian Renewables Private Ltd., Trincomalee Power Company Ltd. and Bangladesh -India Friendship Power Company Private Ltd.

ii) Key Management Personnel:

Shri Arup Roy Choudhury	Chairman and Managing Director
Shri A.K.Singhal	Director (Finance)
Shri I.J.Kapoor	Director (Commercial)
Shri.B.P.Singh	Director (Projects)
Shri D.K.Jain	Director (Technical) ¹
Shri S.P.Singh	Director (Human Resources) ²
Shri N.N.Misra	Director (Operations)
Shri A.K.Jha	Director (Technical) ³
Shri U.P.Pani	Director (Human Resources) ⁴

1. Superannuated on 30th June 2012

2. Superannuated on 28th February 2013

3. W.e.f. 1st July 2012

4. W.e.f. 1st March 2013

b) Transactions with the related parties at a (i) above are as follows:

(₹ Crore)		
Particulars	Current year	Previous year
i) Transactions during the year		
• Contracts for works/services for services received by the Company:		
- Utility Powertech Ltd.	393.14	335.47
- NTPC-Alstom Power Services Private Ltd.	6.19	10.10
• Deputation of Employees:		
- Utility Powertech Ltd.	0.51	0.13
- NTPC-Alstom Power Services Private Ltd.	1.23	0.82
- Trincomalee Power Company Ltd.	0.82	0.15
- Pan-Asian Renewables Private Ltd.	0.13	-
ii) Dividend Received:		
- Utility Powertech Ltd.	4.00	3.00
- NTPC-Alstom Power Services Private Ltd.	0.36	0.30
iii) Amount recoverable for contracts for works/services received:		
- Utility Powertech Ltd.	0.22	0.94
- NTPC-Alstom Power Services Private Ltd.	0.04	0.04
iv) Amount payable for contracts for works/services received:		
- Utility Powertech Ltd.	64.27	48.83
- NTPC-Alstom Power Services Private Ltd.	7.86	10.44
v) Amount recoverable on account of deputation of employees:		
- Utility Powertech Ltd.	0.66	0.30
- NTPC-Alstom Power Services Private Ltd.	1.32	0.33
- Trincomalee Power Company Ltd.	0.97	0.15
- Pan-Asian Renewables Private Ltd.	0.13	-

The Company has received bank guarantees from Utility Powertech Ltd. for an amount of ₹ 6.35 crore (previous year ₹ 4.18 crore).

Remuneration to key management personnel for the year is ₹ 3.59 crore (previous year ₹ 2.79 crore) and amount of dues outstanding to the Company as on 31st March 2013 are ₹ 0.07 crore (previous year ₹ 0.08 crore).

	₹ Crore	
Managerial remuneration to key management personnel	31.03.2013	31.3.2012
Shri Arup Roy Choudhury	0.54	0.35
Shri A.K.Singhal	0.55	0.47
Shri I.J. Kapoor	0.45	0.43
Shri.B.P.Singh	0.52	0.45
Shri D.K.Jain	0.38	0.42
Shri S.P.Singh	0.43	0.31
Shri N.N.Misra	0.44	0.36
Shri A.K.Jha	0.26	-
Shri U.P.Pani	0.02	-
Total	3.59	2.79

45. **Disclosure as per Accounting Standard - 19 on 'Leases'**

a) **Finance leases**

The Group has taken on lease certain vehicles and has the option to purchase the vehicles as per terms of the lease agreements, details of which are as under:

	₹ Crore	
Particulars	31.03.2013	31.03.2012
a) Obligations towards minimum lease payments		
• Not later than one year	0.28	0.52
• Later than one year and not later than five years	0.09	0.28
• Later than five years		-
Total	0.37	0.80
b) Present value of (a) above		
• Not later than one year	0.26	0.47
• Later than one year and not later than five years	0.07	0.26
• Later than five years		-
Total	0.33	0.73
c) Finance charges	0.04	0.07

b) **Operating leases**

The Group's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps for a period of one to two years. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note 24 - Employee benefits expense includes ₹ 83.80 crore (previous year ₹ 83.20 crore) towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps are included under 'Rent' in Note 27 - 'Generation, administration and other expenses'. Further, the Company has taken a helicopter on wet lease basis for a period of eleven years and the amount of lease charges is included in 'Miscellaneous expenses' in Note 27.

46. **Disclosure as per Accounting Standard - 20 on 'Earnings Per Share'**

The elements considered for calculation of Earning Per Share (Basic and Diluted) are as under:

	Current Year	Previous Year
Group profit after tax used as numerator - ₹ crore	12,590.78	9,812.79
Weighted average number of equity shares used as denominator	8,24,54,64,400	8,24,54,64,400
Earning per share (Basic and Diluted) - ₹	15.27	11.90
Nominal value per share - ₹	10/-	10/-

47. **Disclosure as per Accounting Standard - 26 on 'Intangible Assets'**

Research expenditure charged to revenue during the year is ₹ 91.85 crore (previous year ₹ 29.89 crore).

48. **Disclosure as per Accounting Standard - 28 on 'Impairment of Assets'**

As required by Accounting Standard (AS) 28 'Impairment of Assets' notified under the Companies (Accounting Standards) Rules, 2006, the Company has carried out the assessment of impairment of assets. Based on such assessment, there has been no impairment loss during the year.

49. **Foreign currency exposure not hedged by a derivative instrument or otherwise:**

Particulars	Currencies	Amount in Foreign Currency (Crore)		Amount (₹ Crore)	
		31.03.2013	31.03.2012	31.03.2013	31.03.2012
Borrowings, including interest accrued but not due thereon.	USD	252.41	204.13	13,859.96	10,538.98
	JPY	4904.08	5337.26	2,872.81	3,378.49
	EURO	12.22	6.12	860.17	423.42
Trade payables/deposits and retention monies	USD	21.49	23.80	1,179.80	1,228.61
	EURO	9.83	12.42	691.99	859.28
	Others	35.76	30.64	23.98	34.96
Trade receivables and Bank balances	USD	0.01	0.02	0.78	0.82
	Others	0.50	-	0.30	-
Unexecuted amount of contracts remaining to be executed	USD	105.15	42.38	5,773.61	2,188.14
	EURO	87.49	22.64	6,161.41	1,566.40
	Others	1472.40	253.62	999.89	190.16

The Company has formulated an Exchange Risk Management Policy with effect from 1st October 2012. In terms of the requirements of the said Policy and guidelines of the Reserve Bank of India, the Company is currently negotiating International Swaps and Derivatives Association (ISDA) agreements with Authorised Dealer banks. No derivative transactions have been undertaken during the year pending finalisation of ISDA agreements with the banks.

50. **Contingent Liabilities:**

(a) **Claims against the Group not acknowledged as debts in respect of:**

(i) **Capital Works**

Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the Group for ₹ 4,031.12 crore (previous year ₹ 4,471.24 crore) seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the respective companies as being not admissible in terms of the provisions of the respective contracts.

The Group is pursuing various options under the dispute resolution mechanism available in the contracts for settlement of these claims. It is not practicable to make a realistic estimate of the outflow of resources if any, for settlement of such claims pending resolution.

(ii) **Land compensation cases**

In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹ 748.99 crore (previous year ₹ 1,174.20 crore) has been estimated.

(iii) **Fuel Suppliers**

Pending resolution of the issues with coal companies as disclosed in Note 35, payments and accounting of coal are being made based on GCV ascertained at station end. The difference between the amount billed by the coal companies and the payment released by the company amounts to ₹ 2,531.10 crore (previous year ₹ Nil).

Further, an amount of ₹ 367.73 crore (previous year ₹ 400.63 crore) towards surface transportation charges, customs duty on service margin on imported coal etc. has been disputed by the Company.

(iv) **Others**

In respect of claims made by various State/Central Government departments/Authorities towards building permission fee, penalty on diversion of agricultural land to non-agricultural use, nala tax, water royalty etc. and by others, contingent liability of ₹ 862.81 crore (previous year ₹ 878.95 crore) has been estimated.

(v) **Possible Reimbursement**

The contingent liabilities referred to in (i) above, include an amount of ₹ 961.24 crore (previous year ₹ 1,769.70 crore) relating to the hydro power project stated in Note 22 (b) - Other current assets, for which Company envisages possible reimbursement from GOI in full. In respect of balance claims included in (i) and in respect of the claims mentioned at (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 Regulations subject to prudence check by the CERC. In case of (iii), the estimated possible reimbursement is by way of recovery through tariff as per Regulations, 2009 is ₹ 2,792.06 crore (previous year ₹ 283.45 crore).

(b) Disputed Income Tax/Sales Tax/Excise Matters

Disputed Income Tax/Sales Tax/Excise matters pending before various Appellate Authorities amount to ₹ **2,215.26 crore** (previous year ₹ 3,273.96 crore). Many of these matters were disposed off in favour of the Group but are disputed before higher authorities by the concerned departments. In such cases, the Group estimates possible reimbursement of ₹ **827.34 crore** (previous year ₹ 2,112.02 crore).

(c) Others

Other contingent liabilities amount to ₹ **376.57 crore** (previous year ₹ 355.76 crore).

Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

The contingent liabilities disclosed above include ₹ **118.75 crore** (previous year ₹ 78.09 crore) share of jointly controlled entities.

51. Capital and other commitments

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2013 is ₹ **61,339.29 crore** (previous year ₹ 36,693.87 crore) which includes an amount of ₹ **6,803.66 crore** (previous year ₹ 1,848.88 crore) in respect of jointly controlled entities.
- b) Company's commitment towards the minimum work programme in respect oil exploration activities of joint venture operations has been disclosed in Note 32 D.
- c) Group's commitment in respect of further commitments relating to lease agreements has been disclosed in Note 45.
- d) Company's commitment towards the minimum work programme in respect of oil exploration activity of Cambay Block (100% owned by the company) is ₹ **183.45 crore (USD 33.73 million)** (previous year ₹ 182.84 crore, USD 35.41 million).

52. For certain items, the Company and its Joint Ventures have followed different accounting policies. However, impact of the same is not material.

NOTES TO CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR 2011-2012

1. Share capital

	₹ Crore	
As at	31.03.2012	31.03.2011
Equity share capital		
Authorised		
10,00,00,00,000 shares of par value of ₹10/- each (previous year 10,00,00,00,000 shares of par value of ₹10/- each)	<u><u>10,000.00</u></u>	<u><u>10,000.00</u></u>
Issued, subscribed and fully paid-up		
8,24,54,64,400 shares of par value of ₹10/- each (previous year 8,24,54,64,400 shares of par value of ₹10/- each)	<u><u>8,245.46</u></u>	<u><u>8,245.46</u></u>

2. Reserves and surplus

₹ Crore

As at	31.03.2012	31.03.2011
Capital reserve		
As per last financial statements	362.82	282.44
Add : Transfer from surplus in the statement of profit & loss	0.44	6.87
Add : Grants received during the year	76.98	113.18
Less : Adjustments during the year	48.91	39.67
Closing balance	<u>391.33</u>	<u>362.82</u>
Securities premium account	<u>2,228.11</u>	<u>2,228.11</u>
Foreign currency translation reserve	<u>(0.83)</u>	<u>-</u>
Bonds redemption reserve		
As per last financial statements	2,231.66	1,986.72
Add : Transfer from surplus in the statement of profit & loss	482.38	494.94
Less : Transfer to surplus in the statement of profit & loss	325.00	250.00
Closing balance	<u>2,389.04</u>	<u>2,231.66</u>
General reserve		
As per last financial statements	55,087.18	49,871.20
Add : Transfer from surplus in the statement of profit & loss	5,348.20	5,216.14
Less: Adjustments during the year	47.25	0.16
Closing balance	<u>60,388.13</u>	<u>55,087.18</u>
Surplus in the statement of profit & loss		
As per last financial statements	229.33	3.35
Add: Profit for the year from statement of profit & loss	9,814.66	9,348.23
Write back from bond redemption reserve	325.00	250.00
Less: Transfer to bond redemption reserve	482.38	494.94
Transfer to capital reserve	0.44	6.87
Transfer to general reserve	5,348.20	5,216.14
Dividend paid	2,887.92	2,473.63
Tax on dividend paid	465.41	410.84
Proposed dividend	473.29	662.18
Tax on proposed dividend	76.78	107.65
Net surplus	<u>634.57</u>	<u>229.33</u>
Total #	<u><u>66,030.35</u></u>	<u><u>60,139.10</u></u>

Includes (-) ₹ 511.66 crore (previous year (-) ₹ 171.70 crore) share of jointly controlled entities.

3. Deferred revenue

	₹ Crore	
As at	31.03.2012	31.03.2011
On account of advance against depreciation	718.47	792.05
On account of income from foreign currency fluctuation	711.59	62.43
Total #	1,430.06	854.48

Includes ₹ Nil (previous year ₹ Nil) share of jointly controlled entities.

- a) Advance against depreciation (AAD) was an element of tariff provided under the Tariff Regulations for 2001-04 and 2004-09 to facilitate debt servicing by the generators since it was considered that depreciation recovered in the tariff considering a useful life of 25 years is not adequate for debt servicing. Though this amount is not repayable to the beneficiaries, keeping in view the matching principle, and in line with the opinion of the Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India (ICAI), this was treated as deferred revenue to the extent depreciation chargeable in the accounts is considered to be higher than the depreciation recoverable in tariff in future years. Since AAD is in the nature of deferred revenue and does not constitute a liability, it has been disclosed in this note separately from shareholder's funds and liabilities.
- b) In line with significant accounting policy no. L.2. of the Company and the revised CERC order for 2004-09, an amount of ₹ 34.39 crore (previous year ₹ 79.75 crore) has been recognized after reversal/deferment of revenue of ₹ 39.19 crore (previous year ₹ 11.55 crore) during the year from the AAD and included in energy sales (Note 23).
- c) 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 asset by corresponding credit to deferred income from foreign currency fluctuation in respect of the FERV on foreign currency loans or interest thereon adjusted in the cost of fixed assets, which is recoverable from the customers in future years as provided in accounting policy no. L.3. This amount will be recognized as revenue corresponding to the depreciation charge in future years. Since the amount does not constitute a liability to be discharged in future periods hence it has been disclosed in this note separately from shareholder's funds and liabilities.

4. Long-term borrowings

As at	₹ Crore	
	31.03.2012	31.03.2011
Bonds		
Secured		
8.48% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 1 st May 2023 (Seventeenth issue - private placement) ^I	50.00	50.00
9.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 11 th year and in annual installments thereafter upto the end of 15 th year respectively commencing from 25 th January 2023 and ending on 25 th January 2027 (Forty second issue - private placement) ^{III}	500.00	-
8.93% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 19 th January 2021 (Thirty seventh issue - private placement) ^{III}	300.00	300.00
8.73 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 31 st March 2020 (Thirty third issue-private placement) ^{III}	195.00	195.00
8.78 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 9 th March 2020 (Thirty first issue-private placement) ^{III}	500.00	500.00
11.25% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in five equal annual instalments commencing from 6 th Nov 2019 and ending on 6 th Nov 2023 (Twenty seventh issue - private placement) ^{III}	350.00	350.00
7.89% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 5 th May 2019 (Thirtieth issue - private placement) ^{III}	700.00	700.00
8.65% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 4 th February 2019 (Twenty ninth issue - private placement) ^{III}	550.00	550.00
7.50% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 12 th January 2019 (Nineteenth issue - private placement) ^{II}	50.00	50.00
11% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 21 st November 2018 (Twenty eighth issue - private placement) ^{III}	1,000.00	1,000.00
8.00% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each redeemable at par in full on 10 th April 2018 (Sixteenth issue - private placement) ^I	100.00	100.00
9.2573% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 2 nd March 2018 and ending on 2 nd March 2032 (Forty third issue - private placement) ^{III}	75.00	-

4. Long-term borrowings

As at	₹ Crore	
	31.03.2012	31.03.2011
9.6713 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 23 rd Decemeber 2017 and ending on 23 rd December 2031 (Forty first issue - private placement) ^{III} .	75.00	-
9.558 % Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 29 th July 2017 and ending on 29 th July 2031 (Fourtieth issue - private placement) ^{III}	75.00	-
9.3896% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 9 th June 2017 and ending on 9 th June 2031 (Thirty ninth issue - private placement) ^{III}	105.00	-
9.17% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 22 nd March 2017 and ending on 22 nd March 2031 (Thirty eighth issue - private placement) ^{III} Securitised during the current year.	75.00	75.00
8.8086% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th December 2016 and ending on 15 th December 2030 (Thirty sixth issue - private placement) ^{III}	75.00	75.00
8.785% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 15 th September 2016 and ending on 15 th September 2030 (Thirty fifth issue - private placement) ^{III}	120.00	120.00
8.71% Secured non-cumulative non-convertible redeemable taxable bonds of ₹15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 10 th June 2016 and ending on 10 th June 2030 (Thirty fourth issue - private placement) ^{III}	150.00	150.00
8.8493% Secured non-cumulative non-convertible redeemable taxable bonds of ₹ 15,00,000/- each with fifteen equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual installments thereafter upto the end of 20 th year respectively commencing from 25 th March 2016 and ending on 25 th March 2030 (Thirty second issue - private placement) ^{III}	105.00	105.00

4. Long-term borrowings

As at	₹ Crore	
	31.03.2012	31.03.2011
9.37% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty fifth issue - private placement) ^{III}	428.50	500.00
9.06% Secured non-cumulative non-convertible redeemable taxable bonds of ₹70,00,000/- each with fourteen separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 4 th June 2012 and ending on 4 th December 2018 (Twenty sixth issue - private placement) ^{III}	428.50	500.00
8.6077% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 9 th September 2011 and ending on 9 th March 2021 (Twenty fourth issue - private placement) ^{IV}	400.00	450.00
8.3796% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 5 th August 2011 and ending on 5 th February 2021 (Twenty third issue - private placement) ^{IV}	400.00	450.00
8.1771% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd July 2011 and ending on 2 nd January 2021 (Twenty second issue - private placement) ^{IV}	400.00	450.00
7.7125% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 2 nd August 2010 and ending on 2 nd February 2020 (Twenty first issue - private placement) ^V	700.00	800.00
7.552% Secured non-cumulative non-convertible redeemable taxable bonds of ₹20,00,000/- each with twenty equal separately transferable redeemable principal parts (STRPP) redeemable at par semi-annually commencing from 23 rd September 2009 and ending on 23 rd March 2019 (Twentieth Issue - private placement) ^{VI}	300.00	350.00
5.95% Secured non-cumulative non-convertible redeemable taxable bonds of ₹10,00,000/- each with five equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of 6 th year and in annual instalments thereafter upto the end of 10 th year respectively from 15 th September 2003 (Eighteenth issue - private placement) ^{VII}	100.00	200.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each with ten equal separately transferable redeemable principal parts (STRPP) redeemable at par at the end of the 6 th year and in annual instalments thereafter upto the end of 15 th year respectively from 30 th April 2002 (Thirteenth issue - Part B - private placement) ^{VIII}	375.00	450.00
9.55% Secured non-cumulative non-convertible taxable redeemable bonds of ₹10,00,000/- each redeemable at par in ten equal annual instalments commencing from the end of 6 th year and upto the end of 15 th year respectively from 18 th April 2002 (Thirteenth issue -Part A - private placement) ^{VIII}	375.00	450.00

4. Long-term borrowings

	₹ Crore	
As at	31.03.2012	31.03.2011
Foreign Currency Notes		
Unsecured		
5.625 % Fixed rate notes due for repayment on 14 th July 2021	2,581.50	-
5.875 % Fixed rate notes due for repayment on 2 nd March 2016	1,548.90	1,356.90
Term Loans		
From banks and financial institutions		
Secured		
Foreign currency loan (Guaranteed by GOI) ^{IX}	99.09	256.56
Rupee loans ^X	8,039.08	7,278.43
Unsecured		
Foreign currency loans (Guaranteed by GOI)	2,999.49	2,763.23
Other foreign currency loans	5,799.66	5,387.81
Rupee loans	24,726.49	21,083.51
Deposits		
Unsecured		
Fixed deposits	0.47	12.39
Long term maturities of finance lease obligations (Secured)^{XI}	0.26	0.74
Total[#]	54,851.94	47,059.57

[#] Includes ₹ 7,932.53 crore (previous year ₹ 7,199.36 crore) share of jointly controlled entities.

4. Long-term borrowings

a) Details of terms of repayment and rate of interest in respect of term loans

₹ Crore

Particulars	Non current portion		Current portion	
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
Term loans				
From banks				
Secured				
Foreign currency loan (guaranted by GOI)	99.09	256.56	186.38	157.91
Rupee loans	8,039.08	7,278.43	425.33	197.77
Unsecured				
Foreign currency loans (Guaranted by GOI)	2,999.49	2,763.23	183.64	121.16
Other foreign currency loans	5,799.66	5,387.81	865.68	647.39
Rupee loans	24,726.49	21,083.51	2,435.68	1,880.17
Fixed deposits (unsecured)	0.47	12.39	11.79	0.87

- i) Secured foreign currency loan (guaranteed by the GOI) carry floating rate of interest linked to currency weighted LIBOR and is repayable in three semiannual installments as of 31st March 2012.
- ii) Unsecured foreign currency loans (guaranteed by the GOI) carry fixed rate of interest ranging from 1.80% p.a. to 2.30% p.a. and are repayable in twenty eight to thirty eight semiannual installments as of 31st March 2012.
- iii) Unsecured other foreign currency loans include loans of ₹ 1,290.35 crore (previous year ₹ 1,267.68 crore) which carry fixed rate of interest ranging from 3.85% p.a. to 4.31% p.a., loans of ₹ 5,186.32 crore (previous year ₹ 4,533.04 crore) which carry floating rate of interest linked to 6M LIBOR/6M EURIBOR and a loan of ₹ 188.67 crore (previous year ₹ 234.48 crore) which carry floating rate of interest linked to the cost of borrowings of the Multilateral Agency Lender. These loans are repayable in one to twenty eight semi-annual installments as of 31st March 2012 commencing after moratorium period if any, as per the respective loan agreements.
- iv) Unsecured rupee term loans carry interest ranging from 5.71 % to 12.75 % p.a. with monthly/quarterly/half-yearly rests. These loans are repayable in quarterly/half-yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of five to fifteen years after a moratorium period of three to five years.
- v) Unsecured fixed deposits carry interest @ 6.75% to 8.00% p.a. payable quarterly/monthly for non-cumulative schemes and on maturity in case of cumulative schemes compounded quarterly. The deposits are repayable during a period of one to three years from the date of issue.
- vi) Secured rupee term loans generally carry interest linked to AAA bond yield, 225 to 250 bps above base rate and fixed interest rate ranging from 7.71% to 11.20 % p.a., with monthly/quarterly/half-yearly rests. These loans are repayable in quarterly/half-yearly installments as per the terms of the respective loan agreements. The repayment period extends from a period of four to fifteen years after a moratorium period of six months from the COD, or three to five years after the moratorium period.
- b) The finance lease obligations are repayable in installments as per the terms of the respective lease agreements generally over a period of four years.
- c) There has been no defaults in repayment of any of the loans or interest thereon as at the end of the year.

Details of securities

- I Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to National Capital Power Station.
- II Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement.
- III Secured by (I) English mortgage, on first pari passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Sipat Super Thermal Power Project by extension of charge already created.
- IV Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of the title deeds of the immovable properties pertaining to Sipat Super Thermal Power Project.
- V Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Barh Super Thermal Power Project on first pari-passu charge basis, ranking pari passu with charge already created in favour of Trustee for other Series of Bonds and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Ramagundam Super Thermal Power Station by extension of charge already created.
- VI Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai and (II) Equitable mortgage, by way of first charge, by deposit of title deeds of the immovable properties pertaining to Ramagundam Super Thermal Power Station.
- VII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to National Capital Power Station by extension of charge already created.
- VIII Secured by (I) English mortgage, on first pari-passu charge basis, of the office premises of the Company at Mumbai, (II) Hypothecation of all the present and future movable assets (excluding receivables) of Singrauli Super Thermal Power Station, Anta Gas Power Station, Auraiya Gas Power Station, Barh Super Thermal Power Project, Farakka Super Thermal Power Station, Kahalgaon Super Thermal Power Station, Koldam Hydel Power Project, Simhadri Super Thermal Power Project, Sipat Super Thermal Power Project, Talcher Thermal Power Station, Talcher Super Thermal Power Project, Tanda Thermal Power Station, Vindhyachal Super Thermal Power Station, National Capital Power Station, Dadri Gas Power Station, Feroze Gandhi Unchahar Power Station, Loharinag Pala Hydro Power Project and Tapovan-Vishnugad Hydro Power Project as first charge, ranking pari-passu with charge, if any, already created in favour of the Company's Bankers on such movable assets hypothecated to them for working capital requirement and (III) Equitable mortgage of the immovable properties, on first pari-passu charge basis, pertaining to Singrauli Super Thermal Power Station by extension of charge already created.
- IX Secured by English mortgage/hypothecation of all the present and future fixed and movable assets of Rihand Super Thermal Power Station as first charge, ranking pari-passu with charge already created, subject to however, Company's Banker's first charge on certain movable assets hypothecated to them for working capital requirement.

- X (i) Secured by all moveable & immoveable, present and future assets belonging to Joint Venture entity at Vallur.
- (ii) Secured by equitable mortgage/hypothecation of all the present and future Fixed Assets and Moveable Assets of Bhilai Expansion Project (CPP - III) belonging to Joint Venture entity.
- (iii) Secured by equitable mortgage/hypothecation of all the present and future Fixed Assets and Moveable Assets of CPP-II at Rourkela, Durgapur, Bhilai & Corporate office belonging to Joint Venture entity.
- (iv) Secured by first charge by way of hypothecation of all moveable assets of Indira Gandhi Super Thermal Power Project (3 X 500 MW) Coal Based Thermal Power Project at Jhajjar Distt. in state of Haryana belonging to Joint Venture entity, comprising its movable plant and machinery, machinery spares, tools and accessories, furniture fixture, vehicles and all other movable assets, present and future, including intangible assets, goodwill, uncalled capital receivable of the project except for specified receivables on which first charges would be of working capital lenders present and future and
Secured by first charge by way of mortgage by deposit of title deed of lands (approx 2049.11 acres) and other immovable properties of Indira Gandhi Super Thermal Power Project (3 x 500 MW) coal based thermal power project at jhajjar district in State of Haryana together with all buildings and structure erected/ constructed/ standing thereon and all plant and machinery, and equipment attached to the earth or permanently fastened to the earth comprised therein, in respect of which the Joint venture entity is as a owner seized and possessed of and otherwise well and fully entitled to both present and future assets.
- (v) Secured by English mortgage/ hypothecation of all present and future fixed and movable assets of Nabinagar TPP (4X250) MW of Bharitiya Rail Bijilee Company Ltd., a subsidiary company, as first charge, ranking pari passu with charge already created with PFC for 60% of total debts and balance 40% with REC.
- (vi) Secured by equitable mortgage/hypothecation of all the present and future Fixed Assets and Moveable Assets of Power Plant and associated LNG facilities at village Anjanwel Guhagar, Distt. Ratnagiri belonging to Joint Venture entity.
- XI Secured against fixed assets obtained under finance lease.
- XII Security cover mentioned at sl. no. I to VIII is above 100% of the debt securities outstanding.

5. Deferred tax liabilities (net)

₹ Crore

	As at 01.04.2011	Additions/ Adjustments during the year	As at 31.03.2012
Deferred tax liability			
Difference of book depreciation and tax depreciation	6,265.08	(63.09)	6,201.99
Less: Deferred tax assets			
Provisions & other disallowances for tax purposes	1,301.94	(148.86)	1,153.08
Disallowances u/s 43B of the Income Tax Act, 1961	323.00	6.82	329.82
	4,640.14	78.95	4,719.09
Recoverable from beneficiaries	3,968.49	(13.89)	3,954.60
Total #	<u>671.65</u>	<u>92.84</u>	<u>764.49</u>

Includes ₹ 126.15 crore (previous year ₹ 68.62 crore) share of jointly controlled entities.

- The net increase during the year in the deferred tax liability of ₹ 92.84 crore (previous year ₹ 441.94 crore) has been debited to statement of profit & loss.
- Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

6. Other long-term liabilities

	₹ Crore	
As at	31.03.2012	31.03.2011
Trade payables	5.41	10.39
Deferred foreign currency fluctuation liability	134.43	96.67
Other liabilities		
Payable for capital expenditure	1,644.76	2,352.67
Others	6.97	9.30
Total #	1,791.57	2,469.03

Includes ₹ 4.46 crore (previous year ₹ 415.28 crore) share of jointly controlled entities.

- a) In line with accounting policies no.L.3, deferred foreign currency fluctuation liability to the extent of ₹ 37.76 crore (previous year ₹ 35.49 crore) has been made during the year.
- b) Other liabilities - Others include deposits received from contractors, customers and parties towards sale of scrap etc.

7. Long-term provisions

	₹ Crore	
As at	31.03.2012	31.03.2011
Provision for employee benefits		
Opening balance	568.52	667.82
Additions/ (adjustments) during the year	45.33	(99.30)
Closing balance	613.85	568.52
Contractual obligations		
Opening balance	-	-
Additions during the year	9.78	-
Amounts adjusted during the year	0.14	-
Amounts reversed during the year	-	-
Closing balance	9.64	-
Total #	623.49	568.52

Includes ₹ 19.79 crore (previous year ₹ 15.72 crore) share of jointly controlled entities.

a) Disclosure required by AS 15 on 'Employees Benefits' has been made in Note no.39.

8. Short term borrowings

	₹ Crore	
As at	31.03.2012	31.03.2011
Loans repayable on demand		
From Banks		
Secured		
Cash Credit	150.16	39.40
Total #	150.16	39.40

Includes ₹ 109.94 crore (previous year ₹ Nil) share of jointly controlled entities.

- a) The cash credit is fully secured against Inventory and Trade Debtors of Kanti Bijlee Utpadan Nigam Ltd. with interest as per prevailing bank norms.
- b) Power Finance Corporation Ltd. has ceded first pari passu charge to the extent of ₹ 325 crores on the fixed assets, revenue and receivables of Aravali Power Company Pvt. Ltd. in favour of its working capital lender (Punjab National Bank). Rate of interest charged by the bank is 1% above bank base rate.
- c) There has been no defaults in payment of interest as at the end of the year.

9. Trade payables

	₹ Crore	
As at	31.03.2012	31.03.2011
For goods and services	5,045.39	4,391.67
Total #	5,045.39	4,391.67

Includes ₹ 209.42 crore (previous year ₹ 181.09 crore) share of jointly controlled entities.

10. Other current liabilities

	₹ Crore	
As at	31.03.2012	31.03.2011
Current maturities of long term debts		
Secured		
Bonds	693.00	650.00
Foreign currency loans (Guaranteed by GOI)	186.38	157.91
Rupee loans	425.33	197.77
Unsecured		
Foreign currency loans (Guaranteed by GOI)	183.64	121.16
Other foreign currency loans	865.68	647.39
Rupee loans	2,435.68	1,880.17
Fixed deposits	11.79	0.87
Current maturities of finance lease obligations	0.49	0.59
Interest accrued but not due on borrowings	522.32	435.90
Interest accrued and due on borrowings	10.70	-
Unpaid dividends*	11.50	10.27
Unpaid matured deposits and interest accrued thereon*	0.17	0.18
Unpaid matured bonds and interest accrued thereon*	0.59	0.60
Book overdraft	3.64	9.34
Advances from customers and others	419.27	1,452.83
Payable for capital expenditure	4,410.88	2,951.54
Other payables		
Tax deducted at source and other statutory dues	169.17	146.08
Others	1,863.27	699.50
Total #	12,213.50	9,362.10

Includes ₹ 1,453.54 crore (previous year ₹ 593.82 crore) share of jointly controlled entities.

* Represents the amounts which have not been claimed by the investor/holders of the equity shares/bonds/ fixed deposits. Out of the above, no amount is due for payment to Investor Education and Protection Fund.

- a) Details in respect of rate of interest and terms of repayment of secured and unsecured current maturity of long term debts indicated above are disclosed with the details of long terms borrowings in note no.4.
- b) Other payables - others include deposits received from contractors, customers and amounts payable to employees.
- c) Payable for capital expenditure includes the amount reimbursable to GOI in terms of public notice no.38 dated 5th November, 1999 and public notice no.42 dated 10th October, 2002 towards cash equivalent of the relevant deemed export benefits paid by GOI to the contractors for one of the stations amounting to ₹ 7.17 crore (previous year ₹ 7.17 crore). No interest has been provided on the reimbursable amount as there is no stipulation for payment of interest in the public notices cited above.
- d) Payable for capital expenditure includes liabilities towards equipment suppliers pending evaluation of performance and guarantee test results of steam/turbine generators at some of the stations. Pending settlement, liquidated damages for shortfall in performance of these equipments, if any, have not been recognised.

11. Short-term provisions

	₹ Crore	
As at	31.03.2012	31.03.2011
Provision for employee benefits		
Opening balance	1,183.28	1,388.66
Additions/ (adjustments) during the year	<u>(19.61)</u>	<u>(205.38)</u>
Closing balance	1,163.67	1,183.28
Provision for proposed dividend		
Opening balance	662.18	675.53
Additions during the year	473.29	662.18
Amounts used during the year	<u>662.18</u>	<u>675.53</u>
Closing balance	473.29	662.18
Provision for tax on proposed dividend		
Opening balance	107.65	112.03
Additions during the year	76.78	107.65
Amounts paid during the year	<u>107.65</u>	<u>112.03</u>
Closing balance	76.78	107.65
Provision for obligations incidental to land acquisition		
Opening balance	309.69	299.91
Additions during the year	138.46	39.31
Amounts paid during the year	25.58	24.06
Amounts reversed during the year	<u>45.60</u>	<u>5.47</u>
Closing balance	376.97	309.69
Provision for tariff adjustment		
Additions during the year	14.69	
Amounts adjusted during the year	1,526.45	-
Amounts reversed during the year	<u>312.75</u>	<u>-</u>
Closing balance	1,228.39	-
Provision for shortage in fixed assets pending investigation		
Opening balance	1.00	0.85
Additions during the year	0.74	0.64
Amounts adjusted during the year	0.07	0.02
Amounts reversed during the year	<u>0.36</u>	<u>0.47</u>
Closing balance	1.31	1.00

11. Short-term provisions

	₹ Crore	
As at	31.03.2012	31.03.2011
Others		
Opening balance	3.35	5.53
Additions during the year	42.89	2.96
Amounts adjusted during the year	(26.37)	5.13
Amounts reversed during the year	-	0.01
Closing balance	<u>72.61</u>	<u>3.35</u>
Total #	<u><u>3,393.02</u></u>	<u><u>2,267.15</u></u>

Includes ₹ 167.37 crore (previous year ₹ 60.86 crore) share of jointly controlled entities.

- a) Disclosure required by AS 15 on 'Employees Benefits' has been made in Note no.39.
- b) In terms of guidelines of Department of Public Enterprises (DPE), Government of India (GOI), issued vide OM:2(70)/08-DPE(WC)-GL-XIV/08 dated 26.11.2008 and OM:2(70)/08-DPE(WC)-GL-VII/09 dated 02.04.2009, the defined contribution pension scheme formulated by the Company has been approved by the Ministry of Power, GOI, vide their letter dated 1st December 2011. The proposed scheme is under discussions with employees' representatives. Pending formation of a separate trust, an amount of ₹ 174.55 crore (previous year ₹ 94.56 crore) for the year and ₹ 301.50 crore up to 31st March 2012 (upto the previous year ₹ 468.78 crore) has been provided and included in provision for employee benefits. An initial investment of ₹ 1.00 crore was made in LIC on 31st March 2012 out of the above said provision. During the year, a review of provision as at 1st April 2011 was carried out considering the requirement of above mentioned guidelines of DPE, and the excess over the requirement amounting to ₹ 341.83 crore was written back through Note 28 - 'Prior period items (net)'.
 - c) Other provisions includes ₹ 41.19 crore (previous year ₹ Nil) towards the cost of unfinished minimum work programme demanded by the Ministry of Petroleum and Natural Gas (MoPNG) included interest thereon in relation to block AA-ONN-2003/2.
 - d) Provision for tariff adjustment - amount adjusted during the year represent the amount transferred from 'Other current assets -Unbilled revenue' (Refer Note 22 c).

12. Tangible assets

	Gross Block				Depreciation/Amortisation				Net Block	
	As at	Additions	Deductions/ Adjustments	As at	Upto	For the year	Deductions/ Adjustments	Upto	As at	As at
	01.04.2011			31.03.2012	01.04.2011			31.03.2012	31.03.2012	31.03.2011
Land :										
(including development expenses)										
Freehold	2,413.34	486.07	(86.81)	2,986.22	-	-	-	-	2,986.22	2,413.34
Leasehold	561.32	121.18	(42.14)	724.64	113.68	27.31	(0.69)	141.68	582.96	447.64
Roads,bridges, culverts & helipads	528.65	3.85	(4.13)	536.63	154.93	26.94	0.01	181.86	354.77	373.72
Building :										
Freehold										
Main plant	3,186.61	472.27	(44.25)	3,703.13	1,161.23	94.67	(1.72)	1,257.62	2,445.51	2,025.38
Others	2,178.55	170.86	(21.63)	2,371.04	783.29	102.53	1.11	884.71	1,486.33	1,395.26
Leasehold	51.35	-	0.39	50.96	22.08	2.81	0.15	24.74	26.22	29.27
Temporary erection	32.51	5.63	3.20	34.94	31.60	2.41	0.87	33.14	1.80	0.91
Water supply, drainage & sewerage system	621.84	18.99	(2.09)	642.92	276.08	21.93	(0.24)	298.25	344.67	345.76
MGR track and signalling system	1,108.20	116.32	(43.45)	1,267.97	558.20	34.95	0.00	593.15	674.82	550.00
Railway siding	339.16	87.43	(6.94)	433.53	137.72	19.77	0.02	157.47	276.06	201.44
Earth dam reservoir	200.46	97.63	(0.13)	298.22	82.12	13.26	0.00	95.38	202.84	118.34
Plant and equipment	65,971.43	6,032.19	(1,676.66)	73,680.28	29,990.14	3,003.25	54.09	32,939.30	40,740.98	35,981.29
Furniture and fixtures	377.20	29.06	0.29	405.97	222.54	16.76	1.11	238.19	167.78	154.66
Vehicles including speedboats										
Owned	11.46	1.18	0.45	12.19	5.83	0.68	0.49	6.02	6.17	5.63
Leased	2.64	-	0.57	2.07	1.41	0.56	0.54	1.43	0.64	1.23
Office equipment	127.50	18.36	1.92	143.94	66.44	8.37	1.85	72.96	70.98	61.06
EDP, WP machines and satcom equipment	360.85	18.35	4.01	375.19	238.95	26.02	4.96	260.01	115.18	121.90
Construction equipments	151.17	9.76	(0.22)	161.15	73.53	10.78	1.68	82.63	78.52	77.64
Electrical installations	321.69	21.72	6.65	336.76	141.13	12.32	0.37	153.08	183.68	180.56
Communication equipments	90.19	4.89	0.24	94.84	45.17	4.77	0.65	49.29	45.55	45.02
Hospital equipments	27.35	2.27	0.28	29.34	14.87	0.83	0.26	15.44	13.90	12.48
Laboratory and workshop equipments	33.73	7.84	(0.08)	41.65	13.00	1.56	1.30	13.26	28.39	20.73
Capital expenditure on assets not owned by the Company	210.42	8.53	(0.66)	219.61	121.53	18.48	(0.10)	140.11	79.50	88.89
Assets of Government	2.84	-	-	2.84	-	-	-	-	2.84	2.84
Less:Grants from Government	2.84	-	-	2.84	-	-	-	-	2.84	2.84
Assets held for disposal valued at net book value or net realisable value whichever is less	2.21	0.03	0.16	2.08	-	-	-	-	2.08	2.21
Total #	78,909.83	7,734.41	(1,911.03)	88,555.27	34,255.47	3,450.96	66.71	37,639.72	50,915.55	44,654.36
Previous year	71,423.76	6,742.40	(743.67)	78,909.83	32,657.49	2,864.61	1,266.63	34,255.47	44,654.36	38,766.27

Includes ₹ 5,449.59 crore (previous year ₹ 5259.29 crore) share of jointly controlled entities.

- The conveyancing of the title to **10860 acres** of freehold land of value ₹ **584.02 crore** (previous year 12,378 acres of value ₹ 697.27 crore) and buildings & structures valued at ₹ **136.60 crore** (previous year ₹ 135.58 crore), as also execution of lease agreements for **9483 acres** of land of value ₹ **337.36 crore** (previous year 9,627 acres, value ₹ 299.99 crore) in favour of the Company are awaiting completion of legal formalities.
- Leasehold land includes **819 acres** valuing ₹ **29.67 crore** (previous year 819 acres valuing ₹ 29.67 crore) acquired on perpetual lease and accordingly not amortised.
- Land does not include cost of **1,192 acres** (previous year 1,181 acres) of land in possession of the Company. This will be accounted for on settlement of the price thereof by the State Government Authorities.
- Land includes **1,237 acres** of value ₹ **14.90 crore** (previous year 1,245 acres of value ₹ 15.03 crore) not in possession of the Company. The Company is taking appropriate steps for repossession of the same.

- e) Land includes an amount of ₹ 124.77 crore (previous year ₹ 118.74 crore) deposited with various authorities in respect of land in possession which is subject to adjustment on final determination of price.
- f) Possession of land measuring 98 acres (previous year 98 acres) consisting of 79 acres of free-hold land (previous year 79 acres) and 19 acres of lease hold land (previous year 19 acres) of value ₹ 0.21 crore (previous year ₹ 0.21 crore) was transferred to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (erstwhile UPSEB) for a consideration of ₹ 0.21 crore. Pending approval for transfer of the said land, the area and value of this land has been included in the total land of the Company. The consideration received from erstwhile UPSEB is disclosed under note -10 - 'Other Current Liabilities -as other liabilities'.
- g) The Company is executing a thermal power project in respect of which possession certificates for 1,489 acres (previous year 1,489 acres) of land has been handed over to the Company and all statutory and environment clearances for the project have been received. Subsequently, a high power committee has been constituted as per the directions of GOI to explore alternate location of the project since present location is stated to be a coal bearing area. During the year, the High Power Committee has recommended to the Group of Ministers not to shift the present location of the plant. Aggregate cost incurred up to 31st March 2012, ₹ 194.45 crore (previous year ₹ 190.19 crore) is included in tangible assets/CWIP and long-term loans & advances.
- h) Ministry of Power, Government of India vide its notification no. 2/38/99-BTPS (Volume VII) dated 22nd September 2006 transferred land of a power station to the Company on operating lease of 50 years. Lease rent for the year amounting to ₹ 6.18 crore (previous year ₹ 6.13 crore) has been charged to the statement of Profit & Loss.
- i) The Company has received an opinion from the Expert Advisory Committee of the Institute of Chartered Accountants of India (ICAI) on accounting treatment of capital expenditure on assets not owned by the Company wherein it was opined that such expenditure are to be charged to the statement of Profit & Loss as and when incurred. The Company has represented that such expenditure being essential for setting up of a project, the same be accounted in line with the existing accounting practice and sought a review. Pending receipt of communication from ICAI regarding the review, existing treatment has been continued as per the relevant accounting policy.
- j) From the accounting periods commencing on or after 7th December 2006, the Company adjusts exchange differences arising on translation/settlement of long-term foreign currency monetary items relating to the acquisition of a depreciable asset to the cost of asset and depreciates the same over the remaining life of the asset.
- k) The borrowing costs capitalised during the year ended 31st March 2012 is ₹ 2,782.88 crore (previous year ₹ 2,140.33 crore). The Company capitalised the borrowings costs in the capital work-in-progress (CWIP). Similarly, exchange differences for the year are disclosed in the 'Addition' column of CWIP and allocated to various heads of CWIP in the year of capitalisation through 'Deductions/Adjustment' column of CWIP. Exchange differences in respect of assets already capitalised are disclosed in the 'Deductions/Adjustment' column of fixed assets. Asset-wise details of exchange differences and borrowing costs included in the cost of major fixed assets and CWIP through 'Addition' or 'Deductions/Adjustment' column are given below:

	₹ Crore			
	For the year ended 31st March 2012		For the year ended 31st March 2011	
	Exch. difference incl in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP	Exch. difference incl in fixed assets/ CWIP	Borrowing costs incl in fixed assets/ CWIP
Building :				
Main plant	26.94	70.23	13.77	83.92
Others	3.73	34.16	1.54	17.28
Hydrolic works, barrages, dams, tunnels and power channel	-	238.53	-	119.04
MGR track and signalling system	1.54	7.84	-	2.93
Railway siding	0.03	5.27	0.02	4.11
Plant and equipment	1,026.74	1,899.17	165.40	1,531.79
Others including pending allocation	602.23	527.68	(12.45)	381.26
Total	1,661.21	2,782.88	168.28	2,140.33

Intangible assets

₹ Crore

	Gross Block			Amortisation				Net Block		
	As at 01.04.2011	Additions	Deductions/ Adjustments	As at 31.03.2012	Upto 01.04.2011	For the year	Deductions/ Adjustments	Upto 31.03.2012	As at 31.03.2012	As at 31.03.2011
Software	92.37	3.24	(0.26)	95.87	82.85	7.34	(0.09)	90.28	5.59	9.52
Right of Use- Land	7.79	-	-	7.79	1.32	1.21	0.02	2.51	5.28	6.47
- Others	199.52	3.52	(19.54)	222.58	6.66	8.61	(0.78)	16.05	206.53	192.86
Total #	299.68	6.76	(19.80)	326.24	90.83	17.16	(0.85)	108.84	217.40	208.85
Previous year	103.01	107.42	(89.25)	299.68	65.15	24.62	(1.06)	90.83	208.85	37.86

Includes ₹ 5.33 crore (previous year ₹ 1.89 crore) share of jointly controlled entities.

- a) The cost of right of use of land for laying pipelines amounting to ₹ 6.46 crore (previous year ₹ 6.46 crore) is included above. The right of use, other than perpetual in nature, are amortised over the legal right to use.
- b) Cost of acquisition of the right for drawl of water amounting to ₹ 223.92 crore (previous year ₹ 199.52 crore) is included under Right of Use - Others. The right to draw water is amortized considering the life period of 25 years as per the rates and methodology notified by Regulations, 2009.

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

	31.03.2012	31.03.2011
Charged to Profit & Loss Statement	3,107.09	2,719.69
Allocated to the fuel cost	180.04	128.91
Transferred to expenditure during construction period (net) - Note 29	37.17	32.16
Transferred to development of coal mines	0.98	0.52
Adjustment with deferred income/expense from deferred foreign currency fluctuation	142.84	7.95
	3,468.12	2,889.23

13. Capital work-in-progress

	₹ Crore				
	As at 01.04.2011	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2012
Development of land	475.92	97.62	12.12	0.29	561.13
Roads, bridges, culverts & helipads	45.71	66.12	4.38	4.16	103.29
Piling and foundation	812.63	138.36	-	-	950.99
Buildings :					
Main plant	2,563.49	886.66	73.68	471.26	2,905.21
Others	444.05	298.89	(18.12)	166.38	594.68
Temporary erection	11.88	10.95	2.39	4.46	15.98
Water supply, drainage and sewerage system	59.85	34.37	2.14	16.66	75.42
Hydraulic works, barrages, dams, tunnels and power channel	2,534.13	918.84	0.00	-	3,452.97
MGR track and signalling system	241.57	136.92	42.61	116.31	219.57
Railway siding	154.33	165.75	13.23	87.43	219.42
Earth dam reservoir	145.92	25.27	(0.00)	97.63	73.56
Plant and machinery	30,066.68	12,890.29	594.90	5,815.89	36,546.18
Furniture and fixtures	6.60	3.53	1.49	2.82	5.82
Vehicles	0.18	-	-	-	0.18
Office equipment	2.36	0.26	(2.89)	0.56	4.95
EDP/WP machines & satcom equipment	2.22	1.05	0.62	2.43	0.22
Construction equipments	0.33	0.29	0.17	-	0.45
Electrical installations	120.76	107.92	0.77	19.05	208.86
Communication equipment	0.35	2.41	(0.32)	1.15	1.93
Hospital equipments	0.19	-	(0.19)	-	0.38
Laboratory and workshop equipments	2.24	-	0.78	-	1.46
Assets under 5 KM scheme of the GOI	-	2.24	-	-	2.24
Capital expenditure on assets not owned by the company	16.52	10.94	0.44	7.21	19.81
Exploratory wells-in-progress	7.65	0.01	0.00	-	7.66
Development of coal mines	195.05	84.69	-	-	279.74
	<u>37,910.61</u>	<u>15,883.38</u>	<u>728.20</u>	<u>6,813.69</u>	<u>46,252.10</u>
Expenditure pending allocation					
Survey, investigation, consultancy and supervision charges	281.46	35.11	(1.22)	-	317.79
Difference in exchange on foreign currency loans	(280.32)	937.48	28.48	-	628.68
Expenditure towards diversion of forest land	161.71	10.45	0.00	-	172.16
Pre-commissioning expenses (net)	54.24	310.36	107.47	-	257.13
Expenditure during construction period (net)	457.29	3,674.71 *	(395.52)	-	4,527.52
Less: Allocated to related works		<u>4,157.52</u>			<u>4,157.52</u>
	<u>38,584.99</u>	<u>16,693.97</u>	<u>467.41</u>	<u>6,813.69</u>	<u>47,997.86</u>
Less: Provision for unserviceable works	18.91	3.53	(0.01)	-	22.45
Construction stores (net of provision)	<u>2,525.91</u>	<u>215.74</u>	<u>320.07</u>	<u>-</u>	<u>2,421.58</u>
Total #	<u>41,091.99</u>	<u>16,906.18</u>	<u>787.49</u>	<u>6,813.69</u>	<u>50,396.99</u>
Previous year	33,781.30	15,124.34	1,430.56	6,383.09	41,091.99

Includes ₹ 6,628.60 crore (previous year ₹ 5,046.72 crore) share of jointly controlled entities.

* Brought from expenditure during construction period (net) - Note 29

- Construction stores are net of provision for shortages pending investigation amounting to ₹ 1.28 crore (previous year ₹ 1.44 crore)
- The pre-commissioning expenses during the year amounting to ₹ 617.38 crore (previous year ₹ 130.28 crore) have been included in Tangible Assets/Capital work-in-progress after adjustment of pre-commissioning sales of ₹ 307.02 crore (previous year ₹ 34.96 crore) resulting in a net pre-commissioning expenditure of ₹ 310.36 crore (previous year ₹ 95.32 crore).
- Additions during the year under 'Development of coal mines' includes expenditure during construction period of ₹ 84.69 crore (previous year ₹ 59.24 crore)
- Assets under 5 KM scheme of the GOI:**

Ministry of Power has launched a scheme for electrification of villages within 5 km periphery of generation plants of Central Public Sector Undertakings (CPSUs) for providing reliable and quality power to the project affected people. The scheme provides free electricity connections to below poverty line (BPL) households. The scheme will cover all existing and upcoming power plants of CPSUs. The cost of the scheme will be borne by the CPSU to which the plant belongs. This cost will be booked by the CPSU under the project cost and will be considered by the CERC for determination of tariff.

	As at 01.04.2011	Additions	Deductions & Adjustments	Capitalised	As at 31.03.2012
INTANGIBLE ASSETS UNDER DEVELOPMENT					
Software	0.03	1.24	-	-	1.27
Total #	<u>0.03</u>	<u>1.24</u>	<u>-</u>	<u>-</u>	<u>1.27</u>
Previous year	0.55	-	0.52	-	0.03

Includes ₹ 1.23 crore (previous year ₹ Nil) share of jointly controlled entities.

14. Non-current Investments

As at			31.03.2012	₹ Crore 31.03.2011
	Number of shares/bonds/ securities	Face value share/bond/ security	Current year/ (previous year)	Current year/ (previous year) (₹)
Trade				
Equity Instruments (fully paid up-unless otherwise stated)				
Quoted				
Joint Venture Companies				
PTC India Ltd.	12000000 (12000000)	10 (10)	12.00	12.00
			12.00	12.00
Cooperative societies				
Bonds (fully-paid up)				
Unquoted				
8.50 % Tax-Free State Government Special Bonds of the Government of^(#)				
Andhra Pradesh	3781950 (5042600)	1000 (1000)	378.20	504.26
Assam	154392 (205856)	1000 (1000)	15.44	20.58
Bihar	5683200 (7577600)	1000 (1000)	568.32	757.76
Chattisgarh	1449660 (1932880)	1000 (1000)	144.97	193.29
Gujarat	2511720 (3348960)	1000 (1000)	251.17	334.90
Haryana	3225000 (4300000)	1000 (1000)	322.50	430.00
Himachal Pradesh	100164 (133552)	1000 (1000)	10.02	13.35
Jammu and Kashmir	1102080 (1469440)	1000 (1000)	110.21	146.94
Jharkhand	2880376 (3840496)	1000 (1000)	288.04	384.05
Kerala	3007200 (4009600)	1000 (1000)	300.72	400.96
Madhya Pradesh	2492520 (3323360)	1000 (1000)	249.25	332.34
Maharashtra	1144200 (1525600)	1000 (1000)	114.42	152.56
Orissa	3308622 (4411496)	1000 (1000)	330.86	441.15
Punjab	1038690 (1384920)	1000 (1000)	103.87	138.49
Rajasthan	435000 (435000)	1000 (1000)	43.50	43.50
Sikkim	102588 (136784)	1000 (1000)	10.26	13.68
Uttar Pradesh	11969700 (15959600)	1000 (1000)	1,196.97	1,595.96
Uttaranchal	1198950 (1598600)	1000 (1000)	119.89	159.86
West Bengal	3522744 (4696992)	1000 (1000)	352.27	469.70
			4,910.88	6,533.33
Total^{##}			4,922.88	6,545.33

As at			₹ Crore	
			31.03.2012	31.03.2011
	Number of shares/bonds/ securities Current year/ (previous year)	Face value share/bond/ security Current year/ (previous year) (₹)		
Quoted investments				
	Book value		12.00	12.00
	Market value		73.32	100.92
Unquoted investments				
	Book value		4,910.88	6,533.33

Includes bonds of ₹ 4,910.88 crore (previous year ₹ 4,881.87 crore) permitted for transfer/trading by Reserve Bank of India. Balance can be transferred/traded subject to prior approval of Reserve Bank of India.

Includes ₹ Nil (previous year ₹ Nil) share of jointly controlled entities.

a) Investments have been valued considering the accounting policy J.

* Equity shares of ₹ 30,200/- (previous year ₹ 30,200/-) held in various Company's employees co-operative societies.

15. Long-term loans and advances (Considered good, unless otherwise stated)

₹ Crore

As at	31.03.2012	31.03.2011
CAPITAL ADVANCES		
Secured	19.64	18.13
Unsecured		
Covered by Bank Guarantee	1,595.31	2,266.85
Others	1,766.27	1,478.00
Considered doubtful	2.19	2.21
Less: Allowance for bad & doubtful advances	2.19	2.21
	3,381.22	3,762.98
SECURITY DEPOSITS (Unsecured)	214.77	129.28
LOANS		
Related parties-Unsecured	0.05	0.07
Employees (including accrued interest)		
Secured	380.55	305.37
Unsecured	138.24	172.28
Loan to state government in settlement of dues from customers-Unsecured	335.04	478.63
Others-Secured	21.42	28.57
	875.30	984.92
ADVANCES		
Contractors & Suppliers, including material issued on loan		
Unsecured	84.85	44.34
Others-Secured	0.16	1.19
	85.01	45.53
MAT credit recoverable	70.44	39.14
Total #	4,626.74	4,961.85

Includes ₹ 224.12 crore (previous year ₹ 355.42 crore) share of jointly controlled entities.

- a) Other loans represent loans of ₹ 21.42 crore (previous year ₹ 28.57 crore) given to Andra Pradesh Industrial Infrastructure Company Ltd.(APIIC)

16. Other non current assets

	₹ Crore	
As at	31.03.2012	31.03.2011
Long term trade receivables		
Unsecured, considered good	1.42	4.25
Deferred foreign currency fluctuation asset	1,373.74	459.15
Total #	1,375.16	463.40

Includes ₹ 1.63 crore (previous year ₹ 4.25 crore) share of jointly controlled entities.

- a) In line with accounting policies no.L.3, deferred foreign currency fluctuation asset has been accounted and ₹ 129.78 crore (previous year (-) ₹ 1.54 crore) being exchange fluctuations on account of interest and finance charges has been recognised as energy sales in Note 23.

17. Current investments

As at			₹ Crore	
			31.03.2012	31.03.2011
	Number of bonds/ securities	Face value bond/ security	Current year/ (previous year) (₹)	
Bonds (fully-paid up)				
Unquoted				
8.50 % Tax-Free State Government Special				
Bonds of the Government of ^(c)				
Andhra Pradesh	1260650 (1260650)	1000 (1000)	126.07	126.07
Assam	51464 (51464)	1000 (1000)	5.15	5.15
Bihar	1894400 (1894400)	1000 (1000)	189.44	189.44
Chattisgarh	483220 (483220)	1000 (1000)	48.32	48.32
Gujarat	837240 (837240)	1000 (1000)	83.73	83.73
Haryana	1075000 (1075000)	1000 (1000)	107.50	107.50
Himachal Pradesh	33388 (33388)	1000 (1000)	3.34	3.34
Jammu and Kashmir	367360 (367360)	1000 (1000)	36.74	36.74
Jharkhand	960120 (960120)	1000 (1000)	96.01	96.01
Kerala	1002400 (1002400)	1000 (1000)	100.24	100.24
Madhya Pradesh	830840 (830840)	1000 (1000)	83.08	83.08
Maharashtra	381400 (381400)	1000 (1000)	38.14	38.14
Orissa	1102874 (1102874)	1000 (1000)	110.29	110.29
Punjab	346230 (346230)	1000 (1000)	34.62	34.62
Rajasthan	- (145000)	1000 (1000)	-	14.50
Sikkim	34196 (34196)	1000 (1000)	3.42	3.42
Uttar Pradesh	3989900 (3989900)	1000 (1000)	398.99	398.99
Uttaranchal	399650 (399650)	1000 (1000)	39.96	39.96
West Bengal	1174248 (1174248)	1000 (1000)	117.42	117.42
Sub-Total			1,622.46	1,636.96

As at	₹ Crore	
	31.03.2012	31.03.2011
	Number of bonds/ securities	Face value bond/ security
	Current year/ (previous year)	Current year/ (previous year) (₹)
Canara Robeco Liquid Super-IP-DDR	-	175.04
Sub-Total	-	175.04
Total[#]	1,622.46	1,812.00

[#] Includes ₹ Nil (previous year ₹ Nil) share of jointly controlled entities.

Unquoted investments

Book value	1,622.46	1,812.00
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- a) Investments have been valued considering the accounting policy no.J.
- b) The above investments are unquoted and hence market value is not applicable.
- c) Entire bonds are permitted by Reserve Bank of India for transfer/trading.
- d) Super IP-DDR is the nature of the scheme. IP-DDR stands for Institutional Plan - Daily Dividend Reinvestment

18. Inventories

As at	₹ Crore	
	31.03.2012	31.03.2011
Coal	1,258.91	1,306.58
Fuel oil	261.23	211.33
Naphtha	177.04	155.30
Stores and spares	2,080.13	1,871.96
Chemicals & consumables	48.00	49.89
Loose tools	6.25	5.60
Steel Scrap	25.66	18.19
Others	382.14	345.26
	4,239.36	3,964.11
Less: Provision for shortages	2.24	2.36
Provision for obsolete/ unserviceable items/ diminution in value of surplus inventory	59.21	50.92
Total #	4,177.91	3,910.83

Includes ₹ 456.28 crore (previous year ₹ 269.27 crore) share of jointly controlled entities.

Inventories include material in transit

Coal	87.58	49.63
Components and spares	51.23	61.06
Chemicals & consumables	0.25	0.09
Loose tools	0.16	0.34
Others	1.43	42.14
	140.65	153.26

- a) Inventory items, other than steel scrap and material-in-transit, have been valued considering the accounting policy no.K.1. Steel scrap has been valued at estimated realisable value. Material-in-transit has been valued at cost.
- b) Other inventories include items of steel, cement, ash bricks etc.

19. Trade Receivables

	₹ Crore	
As at	31.03.2012	31.03.2011
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	107.18	64.98
Considered doubtful	840.70	841.69
Less: Allowance for bad & doubtful receivables	840.70	841.69
	107.18	64.98
Other- Unsecured, considered good	6,573.84	1,681.29
Total #	6,681.02	1,746.27

Includes ₹ 622.69 crore (previous year ₹ 203.15 crore) share of jointly controlled entities.

20. Cash and bank balances

₹ Crore

As at	31.03.2012	31.03.2011
Cash & cash equivalents		
Balances with banks		
- Current accounts	543.83	382.47
- Deposits with original maturity upto three months	544.75	293.97
Cheques & drafts on hand	1.83	0.31
Cash on hand	0.02	0.13
Others (stamps in hand)	0.10	0.05
Other bank balances		
Deposits with original maturity of more than three months ^(a)	16,919.18	17,160.83
Others ^(*)	81.96	22.07
Total #	18,091.67	17,859.83

Includes ₹ 520.25 crore (previous year ₹ 445.55 crore) share of jointly controlled entities.

a) Includes bank deposits with original maturity of more than twelve months amounting to ₹ 9.44 crore (previous year ₹ 14.74 crore).

* Not available for use to the Company and include:

Unpaid dividend account balance	11.49	10.25
Balance with Reserve Bank of India##	1.77	0.13
Security with government authorities:		
As per court orders	0.10	0.10
As per demand	12.89	11.59
Margin money with banks	55.71	-
	81.96	22.07

Represents amount kept with Reserve Bank of India in terms of Rule 3 A of the Companies (Acceptance of Deposits) Rules, 1975 towards margin money for fixed deposits from public.

21. Short-term loans and advances (Considered good, unless otherwise stated)

₹ Crore

As at	31.03.2012	31.03.2011
LOANS		
Related parties		
Unsecured	0.03	0.04
Employees(including accrued interest)		
Secured	70.67	52.20
Unsecured	83.73	83.12
Considered doubtful	0.22	0.25
Loan to state government in settlement of dues from customers (Unsecured)	95.73	95.73
Others		
Secured	28.58	21.43
Unsecured	0.27	0.02
Less: Allowance for bad & doubtful loans	0.22	0.25
	279.01	252.54
ADVANCES		
Related parties		
Unsecured	1.64	2.27
Employees		
Unsecured	10.07	11.70
Considered doubtful	0.08	0.08
Contractors & suppliers, including material issued on loan		
Secured	5.60	2.24
Unsecured	960.18	761.57
Considered doubtful	1.64	0.44
Others		
Unsecured	104.99	120.89
Considered doubtful	1.01	-
Less: Allowance for bad & doubtful advances	2.73	0.52
	1,082.48	898.67
Advance tax deposit & tax deducted at source	10,370.99	10,141.41
Less: Provision for current tax	8,770.20	7,402.79
	1,600.79	2,738.62
Total #	2,962.28	3,889.83

Includes ₹ 186.06 crore (previous year ₹ 114.11 crore) share of jointly controlled entities.

- Other loans represent loans of ₹ 28.58 crore (previous year ₹ 21.43 crore) given to APIIC.
- Other advances mainly represent advances given to gratuity trust of ₹ 7.06 crore (previous year ₹ 39.20 crore) and prepaid expenses amounting to ₹ 54.49 crore (previous year ₹ 52.56 crore).

22. Other current assets

	₹ Crore	
As at	31.03.2012	31.03.2011
Interest accrued :		
Bonds	312.14	382.33
Term deposits	804.91	630.10
Others	18.68	43.69
	<u>1,135.73</u>	<u>1,056.12</u>
Claims recoverable		
Unsecured, considered good	1,848.46	1,650.02
Considered doubtful	13.02	12.95
Less: Provision for doubtful claims	13.02	12.95
	<u>1,848.46</u>	<u>1,650.02</u>
Unbilled revenue	5,966.52	6,688.55
Security deposits (Unsecured)*	306.47	64.49
Others	12.87	7.77
Total #	<u><u>9,270.05</u></u>	<u><u>9,466.95</u></u>

Includes ₹ 193.59 crore (previous year ₹ 124.08 crore) share of jointly controlled entities.

- * Includes ₹ 163.46 crore (Previous year ₹ 37.06 crore) sales tax deposited under protest with Sales Tax Authorities
- a) Others include amount recoverable from contractors and other parties towards hire charges, rent/electricity, etc.
- b) Claims recoverables include ₹ 766.12 crore (previous year ₹ 748.82 crore) towards the cost incurred upto 31st March 2012 in respect of one of the hydro power projects, the construction of which has been discontinued on the advice of the Ministry of Power, GOI. Management expects that the total cost incurred, anticipated expenditure on the safety and stabilisation measures, other recurring site expenses and interest costs as well as claims of various packages of contractors/vendors for this project will be compensated in full by the GOI. Hence no provision is considered necessary.
- c) Unbilled revenues includes ₹ 5,411.93 crore (previous year ₹ 5,424.80 crore) billed to the beneficiaries after 31st March for energy sales. The amount for the year ended as at 31st March 2011 is after adjustment of provision for tariff adjustment of ₹ 1,526.45 crore. This provision has been shifted to 'Provision for tariff adjustment' (Note 11) during the year consequent to billing to the beneficiaries.

23. Revenue from operations (gross)

	₹ Crore	
For the period ended	31.03.2012	31.03.2011
Energy sales (including electricity duty)	64,840.13	57,196.75
Consultancy, project management and supervision fees (including turnkey construction projects)	464.74	438.04
Sale of goods (including excise duty)	126.09	97.14
	<u>65,430.96</u>	<u>57,731.93</u>
Energy internally consumed	85.61	64.71
Other operating revenues		
Interest from customers	515.31	116.16
Recognized from deferred foreign currency fluctuation liability	0.16	-
Miscellaneous income	16.53	-
Provisions written back		
Tariff adjustment	312.75	-
Doubtful debts	0.14	-
Doubtful loans, advances and claims	0.14	0.04
Doubtful construction advances	0.03	0.01
Shortage in construction stores	0.34	0.11
Shortage in stores	1.10	1.92
Obsolescence in stores	1.02	5.15
Unserviceable capital works	-	0.15
Others	1.80	0.46
	<u>317.32</u>	<u>7.84</u>
Total[#]	<u>66,365.89</u>	<u>57,920.64</u>

[#] Includes ₹ 3662.79 crore (previous year ₹ 2440.20 crore) share of jointly controlled entities.

- a) The Central Electricity Regulatory Commission (CERC) notified the Tariff Regulations, 2009 in January 2009, and also notified First and Second Amendment in May and June 2011 (Regulations, 2009). In line with the Regulations, 2009, during the year, CERC has issued provisional/final tariff orders w.e.f. 1st April 2009 for all the stations except Talcher Thermal Power Station (TTPS). Beneficiaries are billed in accordance with the said provisional/final tariff orders except for TTPS where it is done on provisional basis. The amount billed for the year ended 31st March 2012 on this basis is ₹ 59,965.57 crore (previous year ₹ 51,935.33 crore).
- b) The CERC has issued final tariff orders for some of the stations under the Regulations, 2009, considering the year-wise projected capital expenditure for the tariff period 2009-14. Sales for these stations has been recognised at ₹ 13,196.36 crore for the year ended 31st March 2012 by truing up capital expenditure to arrive at the capacity charges (previous year ₹ 11,320.96 crore). For all other stations, pending determination of station-wise final tariff by the CERC, sales have been provisionally recognized at ₹ 47,486.43 crore for the year ended 31st March 2012 (previous year ₹ 42,222.49 crore) on the basis of principles enunciated in the said Regulations, 2009.

23. Revenue from operations (gross)

	₹ Crore	
For the period ended	31.03.2012	31.03.2011
c)	Sales include ₹ 547.78 crore for the year ended 31 st March 2012 (previous year ₹ 800.87 crore) pertaining to previous years recognized based on the orders issued by the CERC/Appellate Tribunal for Electricity (APTEL).	
d)(i)	The Company aggrieved over many of the issues as considered by the CERC in the tariff orders for its stations for the period 2004-09 had filed appeals with the APTEL. The APTEL disposed off the appeals favourably directing the CERC to revise the tariff orders as per directions and methodology given. Some of the issues decided in favour of the Company by the APTEL were challenged by the CERC in the Hon'ble Supreme Court of India. Subsequently, the CERC has issued revised tariff orders for most of the stations for the period 2004-09, considering the judgment of APTEL subject to disposal of appeals pending before the Hon'ble Supreme Court of India. Consequently, the impact of the aforesaid issues amounting to (-) ₹ 49.16 crore for the year ended 31 st March 2012 (previous year ₹ Nil) has been recognised as sales and included in b) above. Consequently, 'Provision for Tariff Adjustment' of equivalent amount has been reversed.	
(ii)	Pursuant to the issuance of second amendment to Regulations, 2009, sales amounting to (-) ₹ 263.59 crore has been adjusted and reflected in b) and c) above during the year ended 31 st March 2012. Corresponding provision for tariff adjustment created in 2010-11 has also been reversed during the year.	
e)	Sales include (-) ₹ 266.14 crore for the year ended 31 st March 2012 (previous year ₹ 338.51 crore) on account of income-tax recoverable/ payable from/to customers as per Regulations, 2004. Sales also include ₹ 37.77 crore (previous year ₹ 21.72 crore) for the year ended 31 st March 2012 on account of deferred tax materialized which is recoverable from customers as per Regulations, 2009.	
f)	Electricity duty on energy sales amounting to ₹ 428.65 crore (previous year ₹ 278.01 crore) has been reduced from sales in the statement of profit and loss.	
g)	Energy internally consumed is valued at variable cost of generation and the corresponding amount is included in power charges (Note-27).	
h)	Regulations, 2009 provides that where after the truing-up, the tariff recovered is less than the tariff approved by the Commission under the Regulations, 2009, the generating Company shall recover from the beneficiaries the under-recovered amount along-with simple interest at the rate equal to the short-term prime lending rate of State Bank of India as on 1 st April of the respective year. Accordingly, the amount recoverable from the customers along-with interest has been accounted and disclosed under 'other operating revenues'.	

24. Other income

	₹ Crore	
For the period ended	31.03.2012	31.03.2011
Interest from		
Long-term investments (tax-free)	659.38	799.76
Others		
Loan to state government in settlement of dues from customers	42.72	50.85
Loan to employees	25.55	20.60
Interest from contractors	39.28	23.06
Indian banks	1,679.41	1,243.18
Interest from income tax refunds	100.42	1.87
Less : Refundable to customers	34.47	-
Others	12.23	17.32
Dividend from		
Long-term investments in		
Joint ventures	60.16	21.13
Current investments in		
Mutual funds	91.55	53.17
Other non-operating income		
Surcharge received from customers	1.39	10.90
Hire charges for equipment	3.26	2.59
Net gain in foreign currency transactions & translations (other than considered as finance cost)	61.25	31.49
Miscellaneous income*	319.76	181.27
Profit on disposal of fixed assets	13.40	8.37
	3,075.29	2,465.56
Less: Transferred to expenditure during construction period (net)-Note 29	73.09	33.00
Transferred to development of coal mines	2.95	0.06
Transferred to deferred foreign currency fluctuation asset/liability	61.25	31.49
Total[#]	2,938.00	2,401.01

[#] Includes ₹ 43.47 crore (previous year ₹ 43.72 crore) share of jointly controlled entities.

*As per the presidential directive dated 22.12.2009 by MOP, GoI, NVVN Limited, a subsidiary of the company was appointed as the nodal agency for the phase I of the Jawahar Lal Nehru National Solar Mission 2009-13 to enter into power purchase agreement with solar power developers. Due to non performance as to the guidelines issued in this regard, an amount of ₹ 107.18 crore has been recovered from the prospective solar power developers and included in miscellaneous income.

25. Employee benefits expense

₹ Crore

For the period ended	31.03.2012	31.03.2011
Salaries and wages	3,365.80	2,940.80
Contribution to provident and other funds	317.30	352.90
Staff welfare expenses	310.18	311.74
	3,993.28	3,605.44
Less: Allocated to fuel cost / Ash utilisation fund	173.95	178.46
Transferred to development of coal mines	32.00	28.98
Transferred to expenditure during construction period (net)- Note 29	537.60	475.74
Total #	3,249.73	2,922.26

Includes ₹ 113.94 crore (previous year ₹ 84.23 crore) share of jointly controlled entities.

Disclosures required by AS 15 in respect of provision made towards various employees benefits is made in Note 39.

26. Finance costs

	₹ Crore	
For the period ended	31.03.2012	31.03.2011
Interest on		
Bonds	831.50	805.35
Foreign currency term loans	205.71	177.52
Rupee term loans	3,170.07	2,397.48
Public deposits	1.24	1.24
Foreign currency bonds/notes	184.32	162.75
Others	75.87	82.55
	4,468.71	3,626.89
Other Borrowing Costs		
Bonds servicing & public deposit expenses	2.18	1.85
Guarantee fee	38.47	35.65
Management fee	10.97	25.92
Foreign currency bonds/notes expenses	17.10	-
Up-front fee	28.83	2.94
Others	1.13	(1.33)
	98.68	65.03
Exchange differences regarded as an adjustment to interest costs	350.21	174.16
Sub-Total	4,917.60	3,866.08
Less: Transferred to expenditure during construction period (net)- Note 29	2,749.14	2,132.73
Transferred to development of coal mines	33.74	7.60
Total[#]	2,134.72	1,725.75

[#] Includes ₹ 416.17 crore (previous year ₹ 296.87 crore) share of jointly controlled entities.

27. Generation, administration & other expenses

	₹ Crore	
For the period ended	31.03.2012	31.03.2011
Power charges	244.98	152.68
Less: Recovered from contractors & employees	<u>18.35</u>	<u>16.32</u>
	226.63	136.36
Water charges	345.00	307.00
Stores consumed	48.02	38.55
Rent	35.18	30.21
Less: Recoveries	<u>8.16</u>	<u>6.81</u>
	27.02	23.40
Load dispatch centre charges	43.53	98.35
Repairs & maintenance		
Buildings	149.78	129.41
Plant & machinery		
Power stations	1,676.32	1,465.19
Construction equipment	<u>0.95</u>	<u>0.73</u>
	1,677.27	1,465.92
Others	103.22	108.90
Insurance	103.78	96.27
Interest payable to customers	(67.57)	3.61
Rates and taxes	27.41	26.01
Water cess & environment protection cess	25.72	38.59
Training & recruitment expenses	73.99	73.05
Less: Fees for application and training	<u>1.34</u>	<u>4.77</u>
	72.65	68.28
Communication expenses	41.80	37.80
Travelling expenses	185.87	161.88
Tender expenses	23.98	27.82
Less: Receipt from sale of tenders	<u>2.34</u>	<u>2.88</u>
	21.64	24.94
Payment to auditors	2.99	3.09
Advertisement and publicity	12.69	14.98
Security expenses	314.32	260.25
Entertainment expenses	14.28	13.82
Expenses for guest house	17.89	15.03
Less: Recoveries	<u>2.23</u>	<u>1.37</u>
	15.66	13.66
Education expenses	10.14	25.50
Brokerage & commission	3.35	2.85
Community development and welfare expenses	59.33	80.19
Less: Grants-in-aid	<u>0.24</u>	<u>0.43</u>
	59.09	79.76
Ash utilisation & marketing expenses	6.32	2.32
Less: Sale of ash products	<u>0.06</u>	<u>0.23</u>
	6.26	2.09
Directors sitting fee	0.30	0.31
Books and periodicals	2.01	1.61
Professional charges and consultancy fees	52.10	48.02

27. Generation, administration & other expenses

	₹ Crore	
For the period ended	31.03.2012	31.03.2011
Legal expenses	16.60	15.85
EDP hire and other charges	15.17	16.36
Printing and stationery	12.67	13.23
Oil & gas exploration expenses	14.34	3.64
Rebate to customers	662.60	747.32
Reimbursement of L.C.charges on sales realisation	4.10	4.96
Bank charges	4.22	5.87
Net loss in foreign currency transactions & translations (other than considered as finance cost)	37.24	6.64
Miscellaneous expenses	157.97	131.00
Stores written off	0.15	0.05
Survey & investigation expenses written off	7.74	4.53
Loss on disposal/write-off of fixed assets	66.48	62.22
	4,524.24	4,242.88
Less: Allocated to fuel cost / Ash utilisation fund	243.79	214.67
Transferred to development of coal mines	12.92	14.11
Transferred to deferred foreign currency fluctuation asset/liability	17.64	0.05
Transferred to expenditure during construction period (net) - Note 29	444.14	325.93
	3,805.75	3,688.12
Provisions for		
Tariff adjustments	14.69	1,526.45
Doubtful debts	1.01	5.39
Doubtful loans, advances and claims	0.05	0.25
Shortage in stores	1.26	1.47
Obsolescence in stores	10.77	8.84
Shortage in construction stores	0.79	0.33
Unserviceable capital work-in-progress	3.54	9.29
Unfinished minimum work programme for oil and gas exploration	41.19	-
Others	2.53	0.75
	75.83	1,552.77
Total[#]	3,881.58	5,240.89
Spares consumption included in repairs and maintenance	865.49	880.19

[#] Includes ₹ 275.09 crore (previous year ₹ 289.11 crore) share of jointly controlled entities.

Interest payable to customers includes reversal of ₹ 198.83 crore provided in earlier years towards interest payable to beneficiaries as per APTEL order which was set aside by the Hon'ble Supreme Court of India during the year.

28. Prior period items (Net)

₹ Crore

For the period ended	31.03.2012	31.03.2011
Revenue		
Sales	9.00	520.68
Others	2.23	0.03
	<u>11.23</u>	<u>520.71</u>
Expenditure		
Employee benefits expense	(328.22)	(2.49)
Finance costs	(0.44)	39.76
Depreciation and amortisation	(0.43)	(1,170.72)
Repairs and maintenance	(1.98)	26.32
Professional consultancy charges	0.64	(0.04)
Rates & taxes	0.24	0.70
Rent	1.23	(0.03)
Others	2.04	0.53
	<u>(326.92)</u>	<u>(1,105.97)</u>
Net Expenditure/(Revenue)	(338.15)	(1,626.68)
Less: Transferred to expenditure during construction period (net)- Note 29	(20.25)	35.45
Development of coal mines	(1.84)	-
Total #	<u>(316.06)</u>	<u>(1,662.13)</u>

Includes ₹ 0.86 crore (previous year ₹ 23.41 crore) share of jointly controlled entities.

29. Expenditure during construction period (net)

₹ Crore

For the period ended	31.03.2012	31.03.2011
A. Employee benefits expense		
Salaries and wages	471.88	400.94
Contribution to provident and other funds	37.01	37.88
Staff welfare expenses	28.71	36.92
Total (A)	537.60	475.74
B. Finance costs		
Interest on		
Bonds	467.08	504.95
Foreign currency term loans	99.93	86.26
Rupee term loans	1,824.03	1,460.49
Foreign currency bonds/notes	104.91	37.47
Others	-	0.02
Other borrowing costs		
Foreign currency bonds/notes expenses	10.47	-
Management/arrangers/upfront fee	20.77	21.55
Others	36.70	7.36
Exchange differences regarded as an adjustment to interest costs	185.25	14.63
Total (B)	2,749.14	2,132.73
C. Depreciation and amortisation	37.17	32.16
D. Generation, administration & other expenses		
Power charges	172.27	87.12
Less: Recovered from contractors & employees	2.10	1.15
	170.17	85.97
Water charges	47.88	58.93
Rent	5.40	4.51
Repairs & maintenance		
Buildings	8.35	7.82
Construction equipment	0.59	0.24
Others	21.89	16.81
	30.83	24.87
Insurance	2.12	0.86
Rates and taxes	2.54	1.52
Communication expenses	6.46	5.74
Travelling expenses	36.39	32.65
Tender expenses	5.34	9.44
Less: Income from sale of tenders	0.10	0.15
	5.24	9.29
Payment to auditors	0.05	0.06
Advertisement and publicity	0.89	0.51
Security expenses	50.08	44.32
Entertainment expenses	2.92	2.37
Guest house expenses	3.94	3.23
Education expenses	0.02	0.16
Books and periodicals	0.35	0.71

29. Expenditure during construction period (net)

₹ Crore

For the period ended	31.03.2012	31.03.2011
Community development expenses	2.92	1.77
Professional charges and consultancy fee	15.67	5.91
Legal expenses	2.28	4.09
EDP hire and other charges	1.34	1.47
Printing and stationery	1.49	1.21
Miscellaneous expenses	55.16	35.78
Total (D)	444.14	325.93
Total (A+B+C+D)	3,768.05	2,966.56
E. Less: Other income		
Hire charges	2.79	1.61
Sale of scrap	8.29	0.59
Interest from contractors	33.40	20.18
Interest others	19.68	9.65
Miscellaneous income	8.93	0.97
Total (E)	73.09	33.00
F. Prior period items (net)	(20.25)	35.45
Grand total (A+B+C+D-E+F) #	3,674.71 *	2,969.01

* Carried to capital work-in-progress - (Note 13)

Includes ₹ 446.50 crore (previous year ₹ 489.93 crore) share of jointly controlled entities.

30. The consolidated financial statements for the year ended 31st March 2011 had been prepared as per the pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification of Revised Schedule VI under the Companies Act, 1956, the consolidated financial statements for the year ended 31st March 2012 have been prepared considering the provisions of Revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification. The adoption of revised Schedule VI for previous year figures does not impact recognition and measurement principles followed for preparation of consolidated financial statements.
31. Amount in the financial statements are presented in ₹ crore (upto two decimals) except for per share data and as other-wise stated. Certain amounts, which do not appear due to rounding off, are incorporated separately through foot notes.

32. **BASIS OF CONSOLIDATION**

- A. The consolidated financial statements relate to NTPC Ltd. (the Company), its Subsidiaries and interest in Joint Ventures.

a) Basis of Accounting:

- i) The financial statements of the Subsidiary Companies and Joint Ventures in the consolidation are drawn up to the same reporting date as of the Company for the purpose of consolidation.
- ii) The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21 - 'Consolidated Financial Statements' and Accounting Standard (AS) 27 - 'Financial Reporting of Interest in Joint Ventures' of Companies (Accounting Standards) Rules, 2006 and generally accepted accounting principles.

b) Principles of consolidation:

The consolidated financial statements have been prepared as per the following principles:

- i) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together of the like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions, unrealised profits or losses and minority interest have been separately disclosed.
- ii) The consolidated financial statements include the interest of the Company in joint ventures, which has been accounted for using the proportionate consolidation method of accounting and reporting whereby the Company's share of each asset, liability, income and expense of a jointly controlled entity is considered as a separate line item.
- iii) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except as otherwise stated in the notes to the accounts.
- iv) The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries and joint ventures is identified in the financial statements as goodwill or capital reserve, as the case may be.

B. The Subsidiaries and Joint Venture Companies considered in the financial statements are as follows:

Name of the Company	Proportion (%) of Shareholding as on	
	31.03.2012	31.03.2011
Subsidiary Companies:		
1.NTPC Electric Supply Company Ltd.(including its 50% interest in KINESCO Power & Utilities Private Ltd. a joint venture with KINFRA, a statutory body of Government of Kerala)	100	100
2. NTPC Hydro Ltd.(under amalgamation with NTPC Ltd.)	100	100
3. NTPC Vidyut Vyapar Nigam Ltd.	100	100
4. Kanti Bijlee Utpadan Nigam Ltd.	64.93	64.57
5. Bhartiya Rail Bijlee Company Ltd.	74	74

Joint Venture Companies:	Proportion (%) of Shareholding as on	
	31.03.2012	31.03.2011
A. Incorporated in India		
1. Utility Powertech Ltd.	50	50
2. NTPC - Alstom Power Services Private Ltd.	50	50
3. NTPC-SAIL Power Company Private Ltd.*	50	50
4. NTPC-Tamilnadu Energy Company Ltd.	50	50
5. Ratnagiri Gas & Power Private Ltd. *	31.52	30.17
6. Aravali Power Company Private Ltd.*	50	50
7. NTPC-SCCL Global Ventures Private Ltd.*	50	50
8. Meja Urja Nigam Private Ltd.	50	50
9. NTPC - BHEL Power Projects Private Ltd.	50	50
10. BF - NTPC Energy Systems Ltd.*	49	49
11. Nabinagar Power Generating Company Private Ltd.	50	50
12. National Power Exchange Ltd.*	16.67	16.67
13. International Coal Ventures Private. Ltd.*	14.28	14.28
14. National High Power Test Laboratory Private Ltd.	25	25
15. Transformers & Electricals Kerala Ltd.	44.6	44.6
16. Energy Efficiency Services Ltd. *	25	25
17. CIL NTPC Urja Private Ltd.*	50	50
18. Anushakti Vidyut Nigam Ltd.*	49	-
19. Pan-Asian Renewables Private Ltd.*	50	-
B. Incorporated outside India		
1. Trincomalee Power Company Ltd.*	50	-

* The financial statements are un-audited.

C. Anushakti Vidyut Nigam Ltd. was incorporated on 27th January 2011 with 51% shares held by Nuclear Power Corporation India Ltd. Subscription money towards equity was received during the year and as such considered for consolidation from the current year.

- D. Pan-Asian Renewables Private Ltd. was incorporated on 14th October 2011 in which 50% shares held by the Company and balance equally held by Asian Development Bank and Kyuden International Corporation a wholly owned subsidiary of Kyushu Electric Power Company Inc..
- E. Trincomalee Power Company Ltd. was incorporated on 26th September 2011 in which shares are to be held by the Company and Ceylon Electricity Board, Srilanka equally.
- F. Board of directors of the company has accorded the in-principal approval for amalgamation of NTPC Hydro Limited, a 100% subsidiary company, with NTPC limited.
- G. i) The Company along-with some public sector undertakings has entered into Production Sharing Contracts (PSCs) with GOI for three exploration blocks namely KG- OSN-2009/1, KG-OSN-2009/4 and AN-DWN-2009/13 under VIII round of New Exploration Licensing Policy (NELP VIII) with 10% participating interest (PI) in each of the blocks.

Based on the un-audited statement of the accounts for the above blocks forwarded by M/s Oil & Natural Gas Corporation Ltd., the operator, the Company's share in respect of assets and liabilities as at 31st March 2012 and expenditure for the year included in the consolidated financial statements are given below:

(₹ Crore)

Item	2011-12 (Un-audited)	2010-11 (Un-audited)
Expenses	3.61	3.11
Assets	0.03	0.03
Liabilities	0.95	3.14
Capital Commitments	88.48	81.03

- G. ii) Exploration activities in the block AA-ONN-2003/2 were abandoned due to unforeseen geological conditions & withdrawal of the operator. Attempts to reconstitute the consortium to accomplish the residual exploratory activities did not yield result. In the meanwhile, MoPNG demanded from the Company the cost of unfinished minimum work programme of US\$ 7.516 million. During the year, provision of ₹ 41.19 crore along-with interest has been made. The Company has sought waiver of the claim citing force majeure conditions at site leading to discontinuation of exploratory activities.

The Company has accounted for expenditure of ₹ 0.18 crore for the financial year 2011-12 towards the establishment expenses of M/s Geopetrol International, the operator to complete the winding-up activities of the Block. The Company's share in the assets and liabilities as at 31st March 2012 and expenditure for the year is as under:

₹ Crore

Item	2011-12 (Un-audited)	2010-11 (Un-audited)
Expenses	0.18	0.43
Assets	14.64	14.64
Liabilities	2.10	1.92
Contingent liabilities	67.57	78.50

33. a) Certain loans & advances and creditors in so far as these have since not been realised/discharged or adjusted are subject to confirmation/reconciliation and consequential adjustment, if any.
- b) In the opinion of the management, the value of assets, other than fixed assets 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.
34. The coal price notification No 222021 /1/ 2008-CRC-UU dated 31.12.2011 issued by Ministry of Coal (MoC) proposed migration from Useful Heat Value (UHV) based to Gross Calorific Value (GCV) based pricing of coal, and also increased the coal prices. This was superseded by notification dated 31.01.2012, partially rolling back the increase in coal prices. Various stakeholders including power utilities and MOP have expressed concern on the switchover from existing UHV to GCV based pricing of coal, without having put in place the prerequisite technical and legal framework. The issue is under deliberation at MOP and Central Electricity Authority with MoC for an early resolution.

Pending resolution of the issues, stations are continuing to make payment and accounting of coal as per the pre-migrated system of UHV based pricing of coal and the difference between the amounts billed by the coal companies and the payments made/accounted for has been shown as contingent liability. Since, fuel cost is a pass through component of tariff, the revision of price will not have any adverse impact on the profits of the Company.

35. The levy of transit fee/entry tax/VAT on supplies of fuel to some of the power stations has been paid under protest as the matters are subjudice at various courts. In case the Company gets refund from fuel suppliers/tax authorities on settlement of these cases, the same will be passed on to respective beneficiaries.

NTPC Vidyut Vyapar Nigam Ltd. (NVVN) inter-alia engaged in sale of fly ash & its products given by the company at cost. Consequent to the gazette notification D.O.S.O 2804(E) dated 3rd November 2009, issued by the Ministry of Environment and Forest (MOEF) GOI, the NVVN has created fly ash utilisation fund in compliance of notification, a sum of ₹ 68.02 (previous year ₹ 48.34 crore) has been transferred in the reserve during the year after netting of related/allocable cost of ₹ 16.29 crore (previous year ₹ 9.67 crore) from the sale proceeds of the products.

36. Disclosure as per Accounting Standard - 9 on 'Revenue Recognition'

Due to uncertainty of realisation in the absence of sanction by the Government of India (GOI), the Company's share of net annual profits of one of the stations taken over by the Company in June 2006 for the period 1st April 1986 to 31st May 2006 amounting to ₹ 115.58 crore (previous year ₹ 115.58 crore) being balance receivable in terms of the management contract with the GOI has not been recognised.

37. Disclosure as per Accounting Standard - 11 on 'Effects of Changes in Foreign Exchange Rates'

The effect of foreign exchange fluctuation during the year is as under:

- i) The amount of exchange differences (net) debited to the Statement of Profit & Loss is ₹ 19.60 crore (previous year debit of ₹ 6.50 crore).
- ii) The amount of exchange differences (net) debited to the carrying amount of Fixed Assets is ₹ 1,671.05 crore (previous year debit of ₹ 170.04 crore).

38. Disclosure as per Accounting Standard - 12 on 'Accounting for Government Grants'

Revenue grant recognised during the year is ₹ 0.24 crore (previous year ₹ 0.43 crore).

39. Disclosure as per Accounting Standard - 15 on 'Employee Benefits'

General description of various defined employee benefit schemes are as under:

A. Provident Fund

Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution of ₹ 186.36 crore (Previous year ₹ 191.88 crore) to the funds for the year is recognised as expense and is charged to the Statement of Profit and Loss. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence no further provision is considered necessary.

B. Gratuity & Pension

The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.10 crore on superannuation, resignation, termination, disablement or on death.

The Company has a scheme of pension at one of the stations in respect of employees taken over from erstwhile State Government Power Utility. In respect of other employees of the Company, pension scheme is yet to be implemented as stated in Note above.

The existing schemes are funded by the Company and are managed by separate trusts. The liability for the same is recognised on the basis of actuarial valuation.

C. Post-Retirement Medical Facility (PRMF)

The Company has Post-Retirement Medical Facility (PRMF), under which retired employee and the spouse are provided medical facilities in the Company hospitals/empanelled hospitals. They can also avail treatment as out-patient subject to a ceiling fixed by the Company. The liability for the same is recognised on the basis of actuarial valuation.

D. Terminal Benefits

Terminal benefits include settlement at home town for employees & dependents and farewell gift to the superannuating employees. Further, the Company also provides for pension in respect of employees taken over from erstwhile State Government Power Utility at another station. The liability for the same is recognised on the basis of actuarial valuation.

E. Leave

The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. 73.33 % of the earned leave is en-cashable while in service, and upto a maximum of 300 days on separation. Half-pay leave is en-cashable only on separation beyond the age of 50 years up to the maximum of 240 days as per the rules of the Company. The liability for the same is recognised on the basis of actuarial valuation.

The above mentioned schemes (C, D and E) are unfunded and are recognised on the basis of actuarial valuation.

The summarised position of various defined benefits recognised in the Statement of Profit and Loss, Balance Sheet are as under:

(Figures given in { } are for previous year)

i) Expenses recognised in Statement of Profit & Loss

	₹ Crore			
	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Current service cost	60.03 {54.63}	11.12 {9.82}	42.67 {38.72}	5.09 {4.32}
Interest cost on benefit obligation	101.41 {85.82}	26.61 {19.65}	55.86 {47.10}	16.35 {13.40}
Expected return on plan assets	(82.94) {(79.22)}	0 {-}	0 {-}	0 {-}
Net actuarial (gain)/ loss recognised in the year	1.56 {48.78}	29.38 {45.29}	88.02 {86.22}	25.94 {16.58}
Expenses recognised in the Statement of Profit & Loss	80.06 {110.01}	67.11 {74.76}	186.55 {172.04}	47.38 {34.30}

ii) The amount recognised in the Balance Sheet

	₹ Crore			
	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 31.03.2012	1,298.60 {1193.04}	371.11 {313.07}	746.01 {656.81}	229.83 {192.53}
Fair value of plan assets as at 31.03.2012	1,169.90 {1039.04}	0 {-}	0 {-}	0 {-}
Net liability recognised in the Balance Sheet	128.70 {154.00}	371.11 {313.07}	746.01 {656.81}	229.83 {192.53}

iii) Changes in the present value of the defined benefit obligations:

₹ Crore

	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Present value of obligation as at 01.04.2011	1,193.04 {1072.82}	313.07 {245.65}	656.81 {588.81}	192.53 {167.67}
Interest cost	101.41 {85.82}	26.61 {19.65}	55.86 {47.10}	16.35 {13.40}
Current service cost	60.03 {54.63}	11.12 {9.82}	42.67 {38.72}	5.09 {4.32}
Benefits paid	(69.86) {(74.77)}	(9.07) {(7.34)}	-97.35 {(104.04)}	(10.08) {(9.44)}
Net actuarial (gain)/ loss on obligation	13.98 {54.54}	29.38 {45.29}	88.02 {86.22}	25.94 {16.58}
Present value of the defined benefit obligation as at 31.03.2012	1,298.60 {1193.04}	371.11 {313.07}	746.01 {656.81}	229.83 {192.53}

iv) Changes in the fair value of plan assets:

₹ Crore

	Gratuity/ Pension	PRMF	Leave	Terminal Benefits
Fair value of plan assets as at 01.04.2011	1,039.04 {992.59}	- {-}	- {-}	- {-}
Expected return on plan assets	82.94 {79.24}	- {-}	- {-}	- {-}
Contributions by employer	101.39 {32.72}	- {-}	- {-}	- {-}
Benefit paid	(65.89) {(71.27)}	- {-}	- {-}	- {-}
Net actuarial gain/(loss)	12.42 {5.76}	- {-}	- {-}	- {-}
Fair value of plan assets as at 31.03.2012	1,169.90 {1039.04}	- {-}	- {-}	- {-}

vi) The effect of one percentage point increase/decrease in the medical cost of PRMF will be as under:

₹ Crore

Particulars	Increase by	Decrease by
Service and interest cost	4.22	(6.50)
Present value of obligation	31.35	(47.14)

F. Other Employee Benefits

Provision for long service award and family economic rehabilitation scheme amounting to ₹ 4.85 crore (previous year ₹ 2.76 crore) for the year have been made on the basis of actuarial valuation at the year end and debited to the Statement of Profit & Loss.

40. Disclosure as per Accounting Standard - 16 on 'Borrowing Costs'

Borrowing costs capitalised during the year are ₹ 2,782.88 crore (previous year ₹ 2,140.33 crore).

41. **Disclosure as per Accounting Standard - 17 on 'Segment Reporting'**

Segment information:

a) Business Segments

The Company's principal business is generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy, project management and supervision, oil and gas exploration and coal mining.

b) Segment Revenue and Expense

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

c) Segment Assets and Liabilities

Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Construction work-in-progress, construction stores and advances are included in unallocated corporate and other assets. Segment liabilities include operating liabilities and provisions.

(₹ Crore)

	Business Segments				Total	
	Generation		Others			
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue :						
Sale of Energy/Consultancy, Project Management and Supervision fees *	64,805.11	56,839.96	653.44	578.50	65,458.55	57,418.46
Other income	679.00	401.86	146.63	38.59	825.63	440.45
Total	65,484.11	57,241.82	800.07	617.09	66,284.18	57,858.91
Segment Result #	13,336.59	12,662.83	192.38	135.39	13,528.97	12,798.22
Unallocated Corporate Interest and Other					2,547.07	2,149.27
Unallocated Corporate expenses, interest and finance charges					2,938.78	2,555.16
Profit before Tax					13,137.26	12,392.33
Income/Fringe Benefit Taxes (Net)					3,322.60	3,044.10
Profit after Tax					9,814.66	9,348.23
Other information						
Segment assets	73,203.85	60,004.65	2,243.93	1,626.95	75,447.78	61,631.60
Unallocated Corporate and other assets					79,814.22	74,980.54
Total assets	73,203.85	60,004.65	2,243.93	1,626.95	1,55,262.00	1,36,612.14
Segment liabilities	10,803.08	9,497.01	1,794.67	1,330.60	12,597.75	10,827.61
Unallocated Corporate and other liabilities					68,388.44	57,399.97
Total liabilities	10,803.08	9,497.01	1,794.67	1,330.60	80,986.19	68,227.58
Depreciation (including prior period)	3,067.39	1,508.14	2.40	1.77	3,069.79	1,509.91
Non-cash expenses other than Depreciation	15.29	1,542.70	41.19	2.01	56.48	1,544.71
Capital Expenditure	17,710.56	14,638.58	315.31	276.46	18,025.87	14,915.04

* Includes (-) ₹ 54.75 crore (previous year ₹ 1,180.00 crore) for sales related to earlier years.

Generation segment result would have been ₹ 13,281.54 crore (previous year ₹ 11,496.69 crore) without including the sales related to earlier years.

d) The operations of the Company are mainly carried out within the country and therefore, geographical segments are inapplicable.

42. **Disclosure as per Accounting Standard - 18 on 'Related Party Disclosures'**

a) Related parties:

i) Joint ventures:

Utility Powertech Ltd., NTPC-Alstom Power Services Private Ltd., BF-NTPC Energy Systems Ltd., Pan-Asian Renewables Private Ltd., Trincomalee Power Company Ltd.

ii) Key Management Personnel:

Shri Arup Roy Choudhury	Chairman and Managing Director
Shri A.K. Singhal	Director (Finance)
Shri I.J. Kapoor	Director (Commercial)
Shri.B.P.Singh	Director (Projects)
Shri D.K. Jain	Director (Technical)
Shri S.P.Singh	Director (Human Resources)
Shri N.N.Mishra	Director (Operations)

b) Transactions with the related parties at a (i) above are as follows:

(₹ Crore)

Particulars	Current Year	Previous Year
i) Transactions during the year		
• Contracts for Works/ Services for services received by the Company:		
- Utility Powertech Ltd.	335.47	240.52
- NTPC-Alstom Power Services Private Ltd.	10.10	14.15
• Deputation of Employees:		
- Utility Powertech Ltd.	0.13	0.50
- NTPC-Alstom Power Services Private Ltd	0.82	0.57
- Trincomalee Power Company Ltd.	0.15	-
ii) Dividend Received:		
- Utility Powertech Ltd.	3.00	1.00
- NTPC-Alstom Power Services Private Ltd.	0.30	0.36
iii) Amount recoverable for contracts for works/services received:		
- Utility Powertech Ltd.	0.94	0.60
- NTPC-Alstom Power Services Private Ltd	0.04	0.87
iv) Amount payable for contracts for works/services received:		
- Utility Powertech Ltd.	48.83	47.16
- NTPC-Alstom Power Services Private Ltd	10.44	17.52
v) Amount recoverable on account of deputation of employees:		
- Utility Powertech Ltd.	0.30	0.66
- NTPC-Alstom Power Services Private Ltd	0.33	0.93
- Trincomalee Power company Ltd.	0.15	-

The Company has received bank guarantees from Utility Powertech Ltd. for an amount of ₹ 4.18 crore (previous year ₹ 4.18 crore).

c) Remuneration to key management personnel for the year is ₹ 2.79 crore (previous year ₹ 3.06 crore) and amount of dues outstanding to the Company as on 31st March 2012 are ₹ 0.08 crore (previous year ₹ 0.11 crore).

43. **Disclosure as per Accounting Standard - 19 on 'Leases'**

a) Finance leases

The Company has taken on lease certain vehicles and has the option to purchase the vehicles as per terms of the lease agreements, details of which are as under:

₹ Crore

	31.03.2012	31.3.2011
a) Obligations towards minimum lease payments		
• Not later than one year	0.52	0.72
• Later than one year and not later than five years	0.28	0.80
• Later than five years		-
Total	0.80	1.52
b) Present value of (a) above		
• Not later than one year	0.47	0.61
• Later than one year and not later than five years	0.26	0.73
• Later than five years	-	-
Total	0.73	1.34
c) Finance Charges	0.07	0.18

b) Operating leases

The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps for a period of one to two years. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Note 24 - Employee benefits expense includes ₹ 83.20 crore (previous year ₹ 76.99 crore) towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps are included under 'Rent' in Note 27 - 'Generation, administration and other expenses'. Further, the Company has taken a helicopter on wet lease basis for a period of eleven years and the amount of lease charges is included in 'Miscellaneous expenses' in Note 27.

44. Disclosure as per Accounting Standard - 20 on 'Earnings Per Share'

The elements considered for calculation of Earning Per Share (Basic and Diluted) are as under:

	Current Year	Previous Year
Net profit after tax used as numerator - ₹ crore	9,814.66	9,348.23
Weighted average number of equity shares used as denominator	8,24,54,64,400	8,24,54,64,400
Earning per share (Basic and Diluted) - ₹	11.90	11.34
Face value per share - ₹	10/-	10/-

45. Disclosure as per Accounting Standard - 26 on 'Intangible Assets'

Research expenditure charged to revenue during the year is ₹ 29.89 crore (previous year ₹ 28.30 crore).

46. Disclosure as per Accounting Standard - 28 on 'Impairment of Assets'

As required by Accounting Standard (AS) 28 'Impairment of Assets' notified under the Companies (Accounting Standards) Rules, 2006, the Company has carried out the assessment of impairment of assets. Based on such assessment, there has been no impairment loss during the year.

47. Foreign currency exposure not hedged by a derivative instrument or otherwise:

₹ Crore

Particulars	Currencies	Amount	
		31.03.2012	31.03.2011
Borrowings, including interest accrued but not due thereon.	USD	10,538.98	7,157.37
	JPY	3,378.49	3,125.17
	EURO	423.42	441.21
Sundry creditors/deposits and retention monies	USD	1,228.61	1,189.05
	EURO	859.28	601.76
	Others	34.96	30.31
Sundry debtor and Bank balances	USD	0.82	2.08
Unexecuted amount of contracts remaining to be executed	USD	2,188.14	2,493.04
	EURO	1,566.40	4,197.59
	Others	190.16	25.22

48. **Contingent Liabilities:**

(a) Claims against the Company not acknowledged as debts in respect of:

(i) Capital Works

Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the Company for ₹ 4,461.01 crore (previous year ₹ 3,525.43 crore) seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the Company as being not admissible in terms of the provisions of the respective contracts.

The Company is pursuing various options under the dispute resolution mechanism available in the contract for settlement of these claims. It is not practicable to make a realistic estimate of the outflow of resources if any, for settlement of such claims pending resolution.

(ii) Land compensation cases

In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹ 1,174.20 crore (previous year ₹ 1,851.08 crore) has been estimated.

(iii) Fuel Suppliers

Pending resolution of the issues disclosed in Note 34, payments and accounting of coal are being made as per the pre-migrated system of UHV based pricing of coal. The difference between the billing by the coal companies on the revised GCV based price and payment released on pre-revised UHV based price amounts to ₹ 399.39 crore (previous year ₹ Nil).

Further, an amount of ₹ 399.42 crore (previous year ₹ 182.22 crore) towards surface transportation charges, custome duty on service margin on imported coal etc. has been disputed by the Company.

(iv) Others

In respect of claims made by various State/Central Government departments/Authorities towards building permission fees, penalty on diversion of agricultural land to non-agricultural use, nala tax, water royalty etc. and by others, contingent liability of ₹ 878.95 crore (previous year ₹ 1,065.78 crore) has been estimated.

(v) Possible Reimbursement

The contingent liabilities referred to in (i) above, include an amount of ₹ 1,769.70 crore (previous year ₹ 1,495.35 crore) relating to the hydro power project stated in Note 22 - Other current assets, for which Company envisages possible reimbursement from GOI in full. In respect of balance claims included in (i) and in respect of the claims mentioned at (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 Regulations subject to prudence check by the CERC. In case of (iii), the estimated possible reimbursement is by way of recovery through tariff as per Regulations, 2009 is ₹ 676.32 crore (previous year ₹ 146.97 crore).

(b) Disputed Income Tax/Sales Tax/Excise Matters

Disputed Income Tax/Sales Tax/Excise matters are pending before various Appellate Authorities amounting to ₹ 3,273.96 crore (previous year ₹ 2,547.79 crore) are disputed by the Company and contested before various Appellate Authorities. Many of these matters are disposed off in favour of the Company but are disputed before higher authorities by the concerned departments. In such cases, the company estimated possible reimbursement of ₹ 2,112.02 crore (previous year ₹ 1,793.37 crore).

(c) Others

Other contingent liabilities amount to ₹ 365.99 crore (previous year ₹ 408.57 crore).

Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

The contingent liabilities disclosed above include ₹ 78.09 crore (previous year ₹ 123.09 crore) share of jointly controlled entites.

49. **Capital and other commitments**

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31st March 2012 is ₹ **36,693.87 crore** (previous year ₹ 31,496.08 crore) which includes an amount of ₹ **1,848.88 crore** (previous year ₹ 2,673.05 crore) in respect of jointly controlled entities.
 - b) Company's commitment towards the minimum work programme in respect oil exploration activities of joint venture operations has been disclosed in Note 32 G.
 - c) Company's commitment in respect of further commitments relating to lease agreements has been disclosed in Note 43.
50. For certain items, the Company and its Joint Ventures have followed different accounting policies. However, impact of the same is not material.
51. Previous year figures have been regrouped /rearranged wherever necessary.

NOTES TO CONSOLIDATED ACCOUNTS FOR THE FINANCIAL YEAR 2010-11

1.	<p>BASIS OF CONSOLIDATION</p> <p>1.1 The consolidated financial statements relate to NTPC Ltd. (the Company), its Subsidiaries and interest in Joint Ventures.</p> <p>a) Basis of Accounting:</p> <p>i) The financial statements of the Subsidiary Companies and Joint Ventures in the consolidation are drawn up to the same reporting date as of the Company for the purpose of consolidation.</p> <p>ii) The consolidated financial statements have been prepared in accordance with Accounting Standard (AS) 21 - 'Consolidated Financial Statements' and Accounting Standard (AS) 27 – 'Financial Reporting of Interest in Joint Ventures' of Companies (Accounting Standards) Rules, 2006 and generally accepted accounting principles.</p> <p>b) Principles of consolidation:</p> <p>The consolidated financial statements have been prepared as per the following principles:</p> <p>i) The financial statements of the Company and its subsidiaries are combined on a line by line basis by adding together of the like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions, unrealised profits or losses and minority interest have been separately disclosed.</p> <p>ii) The consolidated financial statements include the interest of the Company in joint ventures, which has been accounted for using the proportionate consolidation method of accounting and reporting whereby the Company's share of each asset, liability, income and expense of a jointly controlled entity is considered as a separate line item.</p> <p>iii) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements except as otherwise stated in the notes to the accounts.</p> <p>(iv)The difference between the cost of investment and the share of net assets at the time of acquisition of shares in the subsidiaries and joint ventures is identified in the financial statements as goodwill or capital reserve, as the case may be.</p>																										
1.2	The Subsidiaries and Joint Venture Companies considered in the financial statements are as follows:																										
	<table border="1"> <thead> <tr> <th data-bbox="296 1451 1129 1554" rowspan="2">Name of the Company</th> <th colspan="2" data-bbox="1129 1451 1465 1518">Proportion (%) of Shareholding as on</th> </tr> <tr> <th data-bbox="1129 1518 1295 1554">31.03.2011</th> <th data-bbox="1295 1518 1465 1554">31.03.2010</th> </tr> </thead> <tbody> <tr> <td colspan="3" data-bbox="296 1554 1465 1590">Subsidiary Companies:</td> </tr> <tr> <td data-bbox="296 1590 1129 1693">1. NTPC Electric Supply Company Ltd.(including its 50% interest in KINESCO Power & Utilities Private Ltd.* a joint venture with KINFRA, a statutory body of Government of Kerala)</td> <td align="center" data-bbox="1129 1590 1295 1693">100</td> <td align="center" data-bbox="1295 1590 1465 1693">100</td> </tr> <tr> <td data-bbox="296 1693 1129 1729">2. NTPC Hydro Ltd.</td> <td align="center" data-bbox="1129 1693 1295 1729">100</td> <td align="center" data-bbox="1295 1693 1465 1729">100</td> </tr> <tr> <td data-bbox="296 1729 1129 1765">3. NTPC Vidyut Vyapar Nigam Ltd.</td> <td align="center" data-bbox="1129 1729 1295 1765">100</td> <td align="center" data-bbox="1295 1729 1465 1765">100</td> </tr> <tr> <td data-bbox="296 1765 1129 1868">4. Kanti Bijlee Utpadan Nigam Ltd. (Formerly known as Vaishali Power Generation Company Ltd.)</td> <td align="center" data-bbox="1129 1765 1295 1868">64.57</td> <td align="center" data-bbox="1295 1765 1465 1868">64.57</td> </tr> <tr> <td data-bbox="296 1868 1129 1935">5. Bharatiya Rail Bijlee Company Ltd.</td> <td align="center" data-bbox="1129 1868 1295 1935">74</td> <td align="center" data-bbox="1295 1868 1465 1935">74</td> </tr> <tr> <td colspan="3" data-bbox="296 1935 1465 2060"></td> </tr> </tbody> </table>	Name of the Company	Proportion (%) of Shareholding as on		31.03.2011	31.03.2010	Subsidiary Companies:			1. NTPC Electric Supply Company Ltd.(including its 50% interest in KINESCO Power & Utilities Private Ltd.* a joint venture with KINFRA, a statutory body of Government of Kerala)	100	100	2. NTPC Hydro Ltd.	100	100	3. NTPC Vidyut Vyapar Nigam Ltd.	100	100	4. Kanti Bijlee Utpadan Nigam Ltd. (Formerly known as Vaishali Power Generation Company Ltd.)	64.57	64.57	5. Bharatiya Rail Bijlee Company Ltd.	74	74			
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5. Bharatiya Rail Bijlee Company Ltd.	74	74																									

Joint Venture Companies:		Proportion (%) of Shareholding as on	
		31.03.2011	31.03.2010
1.	Utility Powertech Ltd.	50	50
2.	NTPC - Alstom Power Services Private Ltd.	50	50
3.	NTPC-SAIL Power Company Private Ltd.*	50	50
4.	NTPC-Tamilnadu Energy Company Ltd.*	50	50
5.	Ratanagiri Gas & Power Private Ltd.	30.17	29.65
6.	Aravali Power Company Private Ltd.	50	50
7.	NTPC-SCCL Global Ventures Private Ltd.	50	50
8.	Meja Urja Nigam Private Ltd.	50	50
9.	NTPC - BHEL Power Projects Private Ltd.	50	50
10.	BF - NTPC Energy Systems Ltd.*	49	49
11.	Nabinagar Power Generating Company Private Ltd.	50	50
12.	National Power Exchange Ltd.	16.67	16.67
13.	International Coal Ventures Private. Ltd.*	14.28	14.28
14.	National High Power Test Laboratory Private Ltd.*	25	25
15.	Transformers & Electrical Kerala Ltd.*	44.60	44.60
16.	Energy Efficiency Services Ltd. *	25	25
17.	CIL NTPC Urja Private Ltd.*	50	-

* The financial statements are un-audited.

All the above Companies are incorporated in India.

1.3 CIL NTPC Urja Private Ltd. was incorporated on 27th April 2010, in which shares are to be held by the Company and Coal India Ltd. equally.

1.4 Anushakti Vidhyut Nigam Ltd. was incorporated on 27th January 2011 in which 49% shares are to be held by the Company and 51% shares are to be held by Nuclear Power Corporation India Ltd. Pending remittance of the subscription money the same is not considered for consolidation.

1.5 The Company had acquired 44.6% shares in Transformers & Electrical Kerala Ltd. (TELK) on 19th June 2009. Capital reserve arising on consolidation represent portion of the Company's share of interest in the net asset of TELK over the cost of investment which was calculated based on the un-audited financial statements of TELK as at 31st March 2009 taking into account the amount of proportionate profit till the date of investment based on the un-audited financial statements for the year ended 31st March 2010. The amount has been updated to ₹ 5.87 crore based on the audited financial statements of TELK for the year ended 31st March 2010.

1.6 a) During the year, the Company along-with some Public Sector Undertakings has entered into Production Sharing Contracts (PSCs) with Government of India (GOI) for three exploration blocks namely KG- OSN-2009/1, KG-OSN-2009/4 and AN-DWN-2009/13 under VIII round of New Exploration Licensing Policy (NELP VIII) with 10% participating interest (PI) in each of the blocks.

Based on the un-audited statement of the accounts for the above blocks forwarded by M/s Oil & Natural Gas Corporation Ltd., the operator, the Company's share in respect of assets and liabilities as at 31st March 2011 and expenditure for the year included in the Consolidated Financial Statements are given below :

		(₹ crore)
Item	2010-11 (Un-audited)	
Expenses	3.11	
Assets	0.03	
Liabilities	3.14	
Capital Commitments	81.03	

1.6 b)	<p>Subsequent to the withdrawal by the operator M/s Geopetrol International Inc. from block AA-ONN-2003/2 wherein the Company has 40% PI, attempts to accomplish the residual exploratory activities by reconstituting the consortium did not yield result. Some of the service providers have initiated legal proceedings against the consortium for payment of their claims. The operator has rejected these claims since they are not payable as per the terms of contract. Further, Directorate General of Hydrocarbons (DGH) has communicated the cost of unfinished minimum work programme to the consortium with Company's share being US \$ 7.516 million (equivalent ₹ 33.99 crore). The Company has sought waiver of the claim citing force-majeure conditions at site leading to suspension of exploratory activities. The Company expects favourable decision and, hence no provision is considered necessary.</p> <p>Based on the un-audited statement of the accounts forwarded by the operator, the Company's share in the assets and liabilities as at 31st March 2011 and expenditure for the year included in the Consolidated Financial Statements is as under:</p> <table border="1" data-bbox="304 591 1418 864"> <thead> <tr> <th></th> <th colspan="2" style="text-align: right;">₹ crore</th> </tr> <tr> <th>Item</th> <th>2010-11 (Un-audited)</th> <th>2009-10 (Un-audited)*</th> </tr> </thead> <tbody> <tr> <td>Expenses</td> <td style="text-align: right;">0.43</td> <td style="text-align: right;">3.21</td> </tr> <tr> <td>Assets</td> <td style="text-align: right;">14.64</td> <td style="text-align: right;">14.90</td> </tr> <tr> <td>Liabilities</td> <td style="text-align: right;">1.92</td> <td style="text-align: right;">1.76</td> </tr> <tr> <td>Contingent liabilities</td> <td style="text-align: right;">78.50</td> <td style="text-align: right;">46.46</td> </tr> <tr> <td>(* Since audited)</td> <td></td> <td></td> </tr> </tbody> </table>		₹ crore		Item	2010-11 (Un-audited)	2009-10 (Un-audited)*	Expenses	0.43	3.21	Assets	14.64	14.90	Liabilities	1.92	1.76	Contingent liabilities	78.50	46.46	(* Since audited)		
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2.	<p>a) The conveyancing of the title to 12,378 acres of freehold land of value ₹ 697.27 crore (previous year 11,010 acres of value ₹ 651.00 crore) and buildings & structures valued at ₹ 135.58 crore (previous year ₹ 149.05 crore), as also execution of lease agreements for 9,627 acres of land of value ₹ 299.99 crore (previous year 9,021 acres, value ₹ 291.87 crore) in favour of the Company are awaiting completion of legal formalities.</p> <p>b) Leasehold land includes 819 acres valuing ₹ 29.67 crore (previous year 30 acres valuing ₹0.05 crore) acquired on perpetual lease and accordingly not amortised.</p> <p>c) Land does not include cost of 1,181 acres (previous year 1,181 acres) of land in possession of the Company. This will be accounted for on settlement of the price thereof by the State Government Authorities.</p> <p>d) Land includes 1,245 acres of value ₹ 15.03 crore (previous year 1,247 acres of value ₹ 15.09 crore) not in possession of the Company. The Company is taking appropriate steps for repossession of the same.</p> <p>e) Land includes an amount of ₹ 118.74 crore (previous year ₹ 115.27 crore) deposited with various authorities in respect of land in possession which is subject to adjustment on final determination of price.</p> <p>f) Possession of land measuring 98 acres (previous year 98 acres) consisting of 79 acres of free-hold land (previous year 79 acres) and 19 acres of lease hold land (previous year 19 acres) of value ₹ 0.21 crore (previous year ₹ 0.21 crore) was transferred to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd. (UPRVUNL) for a consideration of ₹ 0.21 crore. Pending approval for transfer of the said land, the area and value of this land has been included in the total land of the Company. The consideration received from UPRVUNL is disclosed under 'Other Liabilities' in 'Current Liabilities'.</p> <p>g) The cost of right of use of land for laying pipelines amounting to ₹ 7.79 crore (previous year ₹ 5.80 crore) is included under intangible assets. The right of use, other than perpetual in nature, are amortised over the period of legal right to use as per the rates and methodology notified by CERC Tariff Regulations, 2009 (Regulations, 2009).</p> <p>h) Cost of acquisition of the right to draw water amounting to ₹ 199.52 crore (previous year ₹ 8.41 crore) is included under intangible assets – Right of Use - Others. The right to draw water is amortized considering the life period of 25 years as per the rates and methodology notified by Regulations, 2009.</p> <p>i) Ministry of Power, Government of India vide its notification no. 2/38/99-BTPS (Volume VII) dated</p>																					

		22 nd September 2006 transferred land of a power station to the Company on operating lease of 50 year. Lease rent for the year amounting to ₹ 6.13 crore (previous year ₹ 6.08 crore) has been charged to the statement of Profit & Loss Account.
3.	a)	<p>The Central Electricity Regulatory Commission (CERC) notified the Regulations, 2009 in January 2009, containing inter-alia the terms and conditions for determination of tariff applicable for a period of five years with effect from 1st April 2009. Pending determination of station-wise tariff by the CERC, sales have been provisionally recognized at ₹ 48,935.31 crore (previous year ₹ 44,473.93 crore) for the year ended 31st March 2011 on the basis of principles enunciated in the said Regulations on the capital cost considering the orders of Appellate Tribunal for Electricity (APTEL) for the tariff period 2004-2009 including as referred to in para 2 (d).</p> <p>Regulations, 2009 provide that pending determination of tariff by the CERC, the Company has to provisionally bill the beneficiaries at the tariff applicable as on 31st March 2009 approved by the CERC. The amount provisionally billed for the year ended 31st March 2011 on this basis is ₹ 47519.21 crore (previous year ₹ 43,765.13 crore).</p>
	b)	For the units commissioned subsequent to 1 st April 2009, pending the determination of tariff by CERC, sales of ₹ 4,528.39 crore (previous year ₹ 1,735.40 crore) have been provisionally recognised on the basis of principles enunciated in the Regulations, 2009. The amount provisionally billed for such units is ₹ 4,416.12 crore (previous year ₹ 1,536.50 crore).
	c)	Sales of ₹ 819.77 crore (previous year ₹ 119.33 crore) pertaining to previous years have been recognized based on the orders issued by the CERC/APTEL.
	d)	<p>In respect of stations/units where the CERC had issued tariff orders applicable from 1st April 2004 to 31st March 2009, the Company aggrieved over many of the issues as considered by the CERC in the tariff orders, filed appeals with the APTEL. The APTEL disposed off the appeals favourably directing the CERC to revise the tariff orders as per the directions and methodology given. The CERC filed appeals with the Hon'ble Supreme Court of India on some of the issues decided in favour of the Company by the APTEL. The decision of Hon'ble Supreme Court is awaited. The Company had submitted that it would not press for determination of the tariff by the CERC as per APTEL orders pending disposal of the appeals by the Hon'ble Supreme Court.</p> <p>Considering expert legal opinions obtained that it is reasonable to expect ultimate collection, the sales for the tariff period 2004-2009 were recognised in earlier years based on provisional tariff worked out by the Company as per the directions and methodology given by the APTEL. As account of sales is subject to the decision of the Hon'ble Supreme Court of India, pending decision of the Hon'ble Supreme Court of India, a sum of ₹ 1,262.86 crore included in debtors has been fully provided for during the year. Effect, if any, will be given in the financial statements upon disposal of the appeals.</p>
	e)	Consequent to issue of additional capitalisation orders by the CERC, advance against depreciation required to meet the shortfall in the component of depreciation to be charged in future years has been reassessed and the excess determined amounting to ₹ 79.75 crore has been recognised as sales.
	f)	During the year, the CERC has issued tariff orders in respect of some of the stations in compliance with the judgement of APTEL mentioned at para d) above, and the beneficiaries were billed accordingly. Since the orders of CERC include those issues which have been challenged by them before Hon'ble Supreme Court, and are pending disposal, the impact thereof amounting to ₹ 252.22 crore has been accounted as 'Advance from customers' in the Schedule-15 - 'Current Liabilities'.
	g)	In respect of joint ventures sale of energy of ₹ 72.14 crore provisionally recognised, in respect of new units commenced during the year, on the basis of mutual arrangement/principles enunciated in the Regulations, 2009.
4.	a)	Sundry Debtors – Other debts includes ₹ 2,698.86 crore (previous year ₹ 1,001.15 crore) towards revenue accounted in accordance with the accounting policy no. L which is yet to be billed.
	b)	CERC has issued a draft notification dated 3 rd September 2010 which inter-alia provides for upfront truing up of un discharged liabilities with regard to capital cost admitted by CERC before 1 st April 2009. In anticipation of final notification an estimated amount of ₹ 263.59 crore has been provided for towards tariff adjustment.

5	<p>Due to uncertainty of realisation in the absence of sanction by the Government of India (GOI), the Company's share of net annual profits of one of the stations taken over by the Company in June 2006 for the period from 1st April 1986 to 31st May 2006 amounting to ₹ 115.58 crore (previous year ₹ 115.58 crore) being balance receivable in terms of the management contract with the GOI has not been recognised.</p>
6.	<p>In terms of guidelines of Department of Public Enterprises (DPE), Government of India (GOI), issued vide OM:2(70)/08-DPE(WC)-GL-XIV/08 dated 26.11.2008 and OM:2(70)/08-DPE(WC)-GL-VII/09 dated 02.04.2009, the Company formulated a defined contribution pension scheme and sent to Ministry of Power (MOP) for their approval. Pending approval of MOP, an amount of ₹ 94.56 crore during the year and cumulatively ₹ 468.78 crore has been provided upto 31st March 2011.</p>
7.	<p>The amount reimbursable to GOI in terms of Public Notice No.38 dated 5th November, 1999 and Public Notice No.42 dated 10th October, 2002 towards cash equivalent of the relevant deemed export benefits paid by GOI to the contractors for one of the stations amounted to ₹276.80 crore (previous year ₹ 276.80 crore) out of which ₹ 269.70 crore (previous year ₹ 269.70 crore) has been deposited with the GOI and liability for the balance amount of ₹ 7.17 crore (previous year ₹ 7.17 crore) has been provided for. No interest has been provided on the reimbursable amounts as there is no stipulation for payment of interest in the public notices cited above.</p>
8.	<p>The Government of Madhya Pradesh had notified levy of Madhya Pradesh Grameen Avsanrachana Tatha Sadak Vikas Adhinyam (MPGATSVA) tax on coal with effect from September 2005. The tax was challenged by the coal supplier before the Hon'ble Jabalpur High Court which stayed its collection in April 2006. Hon'ble Jabalpur High Court by its order dated 3rd February 2011 has vacated the interim order of April 2006.</p> <p>The Central Government issued notification no. GSR 322 (E) dated 1st Aug 2007, on royalty which provide for adjustment of cess and tax specific to coal bearing lands so as to limit the overall revenue to the royalty.</p> <p>Various Special Leave Petitions (SLPs) were preferred in the Hon'ble Supreme Court against the levy by the aggrieved parties where-after the Hon'ble Supreme Court passed an interim order staying the coercive collection of the tax. During the year, Hon'ble Supreme Court heard various SLPs and ordered the assesseees to file returns and subsequently in 6th December 2010 ordered the assesseees to pay the taxes without prejudice to their rights in the pending appeals.</p> <p>Subsequent to the vacation of the stay, Northern Coal Fields Ltd, filed SLP in the Hon'ble Supreme Court, which was disposed off on 21.4.2011 in terms of its' earlier order dated 6th Dec 2010. In view of this, liability towards MPGATSVA tax for the period from September 2005 to July 2007 amounting to ₹ 255.82 crore has been provided for during the year with consequent recognition in sales.</p>
9.	<p>As a result of issuance of the New Coal Distribution Policy (NCDP) by Ministry of Coal in October 2007, the Company and Coal India Ltd (CIL) renegotiated the Model Coal Supply Agreement (CSA) and Model CSA was signed between the Company & CIL on 29th May 2009. Based on the Model CSA, coal supply agreements have been signed with the various subsidiary companies of CIL by all excepting three of the coal based stations of the Company. The CSAs are valid for a period of 20 years with a provision for review after every 5 years.</p>
10.	<p>The Company challenged the levy of transit fee/entry tax on supplies of coal to some of its power stations and has paid under protest such transit fee/entry tax to Coal Companies/Sales Tax Authorities. Further, in line with the agreement with GAIL India Ltd., the Company has also paid entry tax and sales tax on transmission charges in respect of gas supplies made to various stations in the state of Uttar Pradesh. GAIL India Ltd. has paid such taxes to the appropriate authorities under protest and filed a petition before the Hon'ble High Court of Allahabad challenging the applicability of relevant Act. In case the Company gets refund from Coal Companies/Sales Tax Authorities/GAIL India Ltd. on settlement of these cases, the same will be passed on to respective beneficiaries.</p>
11.	<p>MOP, GOI vide letter dated 24.12.2010 has communicated the discontinuation of one of the Hydro Power Projects of the Company in the State of Uttarakhand. Subsequently, the Company has issued Letter of Frustration to the suppliers/vendors of the project.</p>

		MOP has sought details of expenditure incurred, committed costs, anticipated expenditure on safety and stabilization measures, other recurring site expenses and interest costs, as well as claims of various packages of contractors/vendors. Management expects that the total cost incurred, anticipated expenditure on safety and stabilization measures, other recurring site expenses and interest costs as well as claims of various packages of contractors/vendors for this project will be compensated in full. Hence, cost incurred on the project up to 31.03.2011 amounting to ₹ 748.82 crore has been accounted as recoverable from GOI and disclosed under 'Claims Recoverable' in 'Loans and Advances'.
12.		Issues related to the evaluation of performance and guarantee test results of steam/turbine generators at some of the stations are under discussion with the equipment supplier. Pending settlement, liquidated damages for shortfall in performance of these equipments have not been recognised.
13.		The Company is executing a thermal power project in respect of which possession certificates for 1,489 acres (previous year 1,489 acres) of land has been handed over to the Company and all statutory and environment clearances for the project have been received. Subsequently, a high power committee has been constituted as per the directions of GOI to explore alternate location of the project since present location is stated to be a coal bearing area. Aggregate cost incurred up to 31st March 2011 ₹ 190.19 crore (previous year ₹ 183.10 crore) is included in 'Fixed Assets'. Management is confident of recovery of cost incurred, hence no provision is considered necessary.
14.		During the year, the Company has received an opinion from the Expert Advisory Committee of the Institute of Chartered Accountants of India on accounting treatment of capital expenditure on assets not owned by the Company wherein it was opined that such expenditure are to be charged to the statement of Profit & Loss Account as and when incurred. The Company has represented that such expenditure being essential for setting up of a project, the same be accounted in line with the existing accounting practice and sought a review. Pending receipt of communication regarding the review, existing treatment has been continued as per existing accounting policy.
15.	a)	Certain loans & advances and creditors in so far as these have since not been realised/discharged or adjusted are subject to confirmation/reconciliation and consequential adjustment, if any.
	b)	In the opinion of the management, the value of current assets, loans and advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.
16.		Effect of changes in Accounting Policies:
		<p>During the year, the Office of the Comptroller & Auditor General of India has expressed an opinion that power sector companies shall be governed by the rates of depreciation notified by the CERC for providing depreciation in respect of generating assets in the accounts instead of the rates as per the Companies Act, 1956. Accordingly, the Company revised its accounting policies relating to charging of depreciation w.e.f 1st April 2009 considering the rates and methodology notified by the CERC for determination of tariff through Regulations, 2009. In case of certain assets, the Company has continued to charge higher depreciation based on technical assessment of useful life of those assets. Consequent to this change, prior period depreciation written back is ₹ 1,173.04 crore, depreciation for the year is lower by ₹ 324.23 crore. As a result, fixed assets and profit before tax for the year is higher by ₹ 1,497.27 crore.</p> <p>Due to the above change, the amount of advance against depreciation (AAD) required to meet the shortfall in the component of depreciation in revenue over the depreciation to be charged off in future years has been reassessed by the Company station-wise as at 1st April 2009 and the excess determined, amounting to ₹ 727.49 crore has been recognised as prior period sales.</p> <p>Further, the amount recoverable from the beneficiaries on account of deferred tax materialised for the financial year 2009-10 has been reassessed and excess amount of ₹ 212.67 crore is reversed as 'Prior Period Sales' with equivalent reduction in provision for tax of earlier years in the Profit and Loss Account.</p> <p>Further, due to the above change, deferred tax liability (net) and deferred tax recoverable from the beneficiaries as at 31st March 2010 amounting to ₹ 3,049.41 crore and ₹ 2,840.16 crore respectively have been reviewed and restated to ₹ 4,415.19 crore and ₹ 3,809.69 crore respectively. As a result,</p>

		deferred tax liability as at 31.03.2010 has increased by ₹ 1365.78 crore out of which ₹ 969.53 crore is recoverable from the beneficiaries as per Regulation 39 of Regulations 2009 and net increase is included in the 'Provision for Deferred tax - Earlier years' in the Profit and Loss Account.
17.		Revenue grants recognised during the year is ₹ 0.43 crore (previous year ₹ 1.71 crore).
18.		NTPC Vidyut Vyapar Nigam Ltd. (NVTN) inter-alia engaged in sale of fly ash & its products given by the company at cost. Consequent to the gazette notification D.O.S.O 2804(E) dated 3 rd November 2009, issued by the Ministry of Environment and Forest (MOEF) GOI, the NVTN has created fly ash utilisation fund in compliance of notification, a sum of ₹ 48.34 crore has been transferred in the reserve during the year after netting of related/allocable cost of ₹ 9.67 crore from the sale proceeds of the products.
19.		Disclosure as per Accounting Standard (AS) 15: General description of various defined employee benefit schemes are as under:
	A. Provident Fund	Company pays fixed contribution to provident fund at predetermined rates to a separate trust, which invests the funds in permitted securities. Contribution to family pension scheme is paid to the appropriate authorities. The contribution of ₹ 191.88 crore (previous year ₹ 160.35 crore) to the funds for the year is recognised as expense and is charged to the Profit & Loss Account. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return to the members as specified by GOI. As per report of the actuary, overall interest earnings and cumulative surplus is more than the statutory interest payment requirement. Hence no further provision is considered necessary.
	B. Gratuity & Pension	The Company has a defined benefit gratuity plan. Every employee who has rendered continuous service of five years or more is entitled to get gratuity at 15 days salary (15/26 X last drawn basic salary plus dearness allowance) for each completed year of service subject to a maximum of ₹ 0.10 crore on superannuation, resignation, termination, disablement or on death. The Company has a scheme of pension at one of the stations in respect of employees taken over from erstwhile State Government Power Utility. In respect of other employees of the Company, pension scheme is yet to be implemented as stated in Note no. 6 above. The existing schemes are funded by the Company and are managed by separate trusts. The liability for the same is recognised on the basis of actuarial valuation.
	C. Post-Retirement Medical Facility (PRMF)	The Company has Post-Retirement Medical Facility (PRMF), under which retired employee and the spouse are provided medical facilities in the Company hospitals/empanelled hospitals. They can also avail treatment as Out-Patient subject to a ceiling fixed by the Company. The liability for the same is recognised on the basis of actuarial valuation.
	D. Terminal Benefits	Terminal benefits include settlement at home town for employees & dependents and farewell gift to the superannuating employees. Further, the Company also provides for pension in respect of employees taken over from erstwhile State Government Power Utility at another station. The liability for the same is recognised on the basis of actuarial valuation.
	E. Leave	The Company provides for earned leave benefit (including compensated absences) and half-pay leave to the employees of the Company which accrue annually at 30 days and 20 days respectively. 73.33 % of the earned leave is en-cashable while in service, and upto a maximum of 300 days on separation. Half-pay leave is en-cashable only on separation beyond the age of 50 years up to the maximum of 240 days as per the rules of the Company. The liability for the same is recognised on the basis of actuarial valuation. The above mentioned schemes (C, D and E) are unfunded and are recognised on the basis of actuarial valuation.

	The summarised position of various defined benefits recognised in the profit and loss account, balance sheet are as under: (Figures given in { } are for previous year)																																													
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iii)	<p>Changes in the present value of the defined benefit obligations:</p> <table border="1"> <thead> <tr> <th></th> <th colspan="4" style="text-align: right;">₹ crore</th> </tr> <tr> <th></th> <th>Gratuity/ Pension</th> <th>PRMF</th> <th>Leave</th> <th>Terminal Benefits</th> </tr> </thead> <tbody> <tr> <td>Present value of obligation as at 1.04.2010</td> <td>1072.82 {1047.40}</td> <td>245.65 {214.28}</td> <td>588.81 {651.49}</td> <td>167.67 {125.51}</td> </tr> <tr> <td>Interest cost</td> <td>85.82 {78.56}</td> <td>19.65 {16.08}</td> <td>47.10 {48.86}</td> <td>13.40 {9.40}</td> </tr> <tr> <td>Current Service Cost</td> <td>54.58 {49.59}</td> <td>9.82 {8.26}</td> <td>38.72 {34.03}</td> <td>4.32 {4.99}</td> </tr> <tr> <td>Past Service Cost</td> <td>0.05 {-}</td> <td>- {-}</td> <td>- {-}</td> <td>- {-}</td> </tr> <tr> <td>Benefits paid</td> <td>(74.77) {(88.78)}</td> <td>(7.34) {(4.69)}</td> <td>(104.04) {(180.18)}</td> <td>(9.44) {(8.29)}</td> </tr> <tr> <td>Net actuarial (gain)/ loss on obligation</td> <td>(54.54) {(13.95)}</td> <td>45.29 {11.72}</td> <td>86.22 {34.61}</td> <td>16.58 {36.05}</td> </tr> <tr> <td>Present value of the defined benefit obligation as at 31.03.2011</td> <td>1193.04 {1072.82}</td> <td>313.07 {245.65}</td> <td>656.81 {588.81}</td> <td>192.53 {167.67}</td> </tr> </tbody> </table>		₹ crore					Gratuity/ Pension	PRMF	Leave	Terminal Benefits	Present value of obligation as at 1.04.2010	1072.82 {1047.40}	245.65 {214.28}	588.81 {651.49}	167.67 {125.51}	Interest cost	85.82 {78.56}	19.65 {16.08}	47.10 {48.86}	13.40 {9.40}	Current Service Cost	54.58 {49.59}	9.82 {8.26}	38.72 {34.03}	4.32 {4.99}	Past Service Cost	0.05 {-}	- {-}	- {-}	- {-}	Benefits paid	(74.77) {(88.78)}	(7.34) {(4.69)}	(104.04) {(180.18)}	(9.44) {(8.29)}	Net actuarial (gain)/ loss on obligation	(54.54) {(13.95)}	45.29 {11.72}	86.22 {34.61}	16.58 {36.05}	Present value of the defined benefit obligation as at 31.03.2011	1193.04 {1072.82}	313.07 {245.65}	656.81 {588.81}	192.53 {167.67}
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iv)	Changes in the fair value of plan assets:				
					₹ crore
		Gratuity/ Pension	PRMF	Leave	Terminal Benefits
	Fair value of plan assets as at 1.4.2010	992.59 {539.99}	- {-}	- {-}	- {-}
	Expected return on plan assets	79.24 {42.96}	- {-}	- {-}	- {-}
	Contributions by employer	32.72 {472.77}	- {-}	- {-}	- {-}
	Benefit paid	(71.27) {(88.51)}	- {-}	- {-}	- {-}
	Actuarial gain / (loss)	5.76 {(25.38)}	- {-}	- {-}	- {-}
Fair value of plan assets as at 31.03.2011	1039.04 {992.59}	- {-}	- {-}	- {-}	
v)	The effect of one percentage point increase/decrease in the medical cost of PRMF will be as under:				₹ Crore
	Particulars	Increase by	Decrease by		
	Service and Interest cost	5.53	4.44		
	Present value of obligation	33.73	52.78		
F.	Other Employee Benefits				
	Provision for Long Service Award and Family Economic Rehabilitation Scheme amounting to ₹ 2.76 crore (previous year credit of ₹ 3.42 crore) for the year have been made on the basis of actuarial valuation at the year end and debited to the Profit & Loss Account.				
20.	The effect of foreign exchange fluctuation during the year is as under:				
	i) The amount of exchange differences (net) debited to the Profit & Loss Account is ₹ 6.50 crore (previous year credit of ₹ 18.91 crore).				
	ii) The amount of exchange differences (net) debited to the carrying amount of fixed assets and Capital work-in-progress is ₹ 170.04 crore (previous year credit of ₹ 1,183.57 crore).				
21.	Borrowing costs capitalised during the year are ₹ 2,075.72 crore (previous year ₹ 1,684.87 crore).				
22.	Segment information:				
a)	Business Segment:				
	The Company's principal business is generation and sale of bulk power to State Power Utilities. Other business includes providing consultancy, project management and supervision, oil and gas exploration and coal mining.				
b)	Segment Revenue and Expense				
	Revenue directly attributable to the segments is considered as Segment Revenue. Expenses directly attributable to the segments and common expenses allocated on a reasonable basis are considered as Segment Expenses.				
c)	Segment Assets and Liabilities				
	Segment assets include all operating assets in respective segments comprising of net fixed assets and current assets, loans and advances. Construction work-in-progress, construction stores and advances are included in unallocated corporate and other assets. Segment liabilities include operating liabilities and provisions.				

	Business Segments				₹ crore	
	Generation		Others		Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Revenue :						
Sale of Energy/Consultancy, Project Management and Supervision fees *	56,839.96	47,749.89	578.50	506.56	57418.46	48,256.45
Internal consumption of electricity	64.71	55.14	-	-	64.71	55.14
Total	56,904.67	47,805.03	578.50	506.56	57,483.17	48,311.59
Segment Result #	12,676.69	10,493.76	135.98	160.85	12,812.67	10,654.61
Unallocated Corporate Interest and Other Income					2,149.27	2,453.71
Unallocated Corporate expenses, interest and finance charges					2,569.61	2,059.21
Profit before Tax					12,392.33	11,049.11
Income/Fringe Benefit Taxes (Net)					3,044.10	2,211.46
Profit after Tax					9,348.23	8,837.65
Other information						
Segment assets	59,973.14	51,846.54	1,626.95	1,737.46	61,600.09	53,584.00
Unallocated Corporate and other assets					74,980.54	68,281.24
Total assets	59,973.14	51,846.54	1,626.95	1,737.46	136,580.63	121,865.24
Segment liabilities	9,465.50	8,385.59	1,330.60	1,401.23	10,796.10	9,786.82
Unallocated Corporate and other liabilities					57,399.76	49,461.14
Total liabilities	9,465.50	8,385.59	1,330.60	1,401.23	68,195.86	59,247.96
Depreciation (including prior period)	1,508.14	2,868.96	1.77	1.35	1,509.91	2,870.31
Non-cash expenses other than Depreciation	1,542.70	10.92	2.01	1.41	1,544.71	12.33
Capital Expenditure	14,638.58	13,188.89	276.46	135.52	14,915.04	13324.41

* Includes ₹ 1,180.00 crore (previous year (-) ₹ 352.13 crore) for sales related to earlier years

Generation segment result would have been ₹ 11,496.69 crore (previous year ₹ 10,845.89 crore) without including the Sales related to earlier years.

d) The operations of the Company are mainly carried out within the country and therefore, geographical segments are inapplicable.

23. Related party disclosures

a Related parties:

i) Joint ventures:

Utility Powertech Ltd.,
NTPC-Alstom Power Services Private Ltd.,
BF-NTPC Energy Systems Ltd.

ii) Key Management Personnel of the Company:

Shri Arup Roy Choudhury ¹	Chairman and Managing Director
Shri R.S. Sharma ²	Chairman and Managing Director
Shri Chandan Roy ³	Director (Operations)
Shri A.K. Singhal	Director (Finance)
Shri R.C. Shrivastav ⁴	Director (Human Resources)
Shri I.J. Kapoor	Director (Commercial)
Shri.B.P.Singh	Director (Projects)
Shri D.K.Jain ⁵	Director (Technical)
Shri S.P.Singh ⁶	Director (Human Resources)
Shri N.N.Misra ⁷	Director (Operations)

1. W.e.f. 1st September 2010 2. Superannuated on 31st August 2010 3. Superannuated on 31st July 2010 4. Superannuated on 30th June 2010 5. W.e.f. 13th May 2010 6. W.e.f. 16th October 2010 7. W.e.f. 19th October 2010.

b) Transactions with the related parties at a (i) above are as follows:

Particulars	(₹ crore)	
	Current Year	Previous Year
Transactions during the year		
• Contracts for Works/ Services for services received by the Company:		
- Utility Powertech Ltd.	240.52	217.55
- NTPC-Alstom Power Services Private Ltd.	14.15	9.93
• Deputation of Employees:		
- Utility Powertech Ltd.	0.50	1.75
- NTPC-Alstom Power Services Private Ltd	0.57	4.46
• Dividend Received:		
- Utility Powertech Ltd.	1.00	0.30
- NTPC-Alstom Power Services Private Ltd.	0.36	0.60
• Amount recoverable for contracts for works/services received:		
- Utility Powertech Ltd.	0.60	0.25
- NTPC-Alstom Power Services Private Ltd	0.87	1.64
• Amount payable for contracts for works/services received:		
- Utility Powertech Ltd.	47.16	36.14
- NTPC-Alstom Power Services Private Ltd	17.52	14.68
• Amount recoverable on account of deputation of employees:		
- Utility Powertech Ltd.	0.66	0.73
- NTPC-Alstom Power Services Private Ltd	0.91	1.81

The Company has received bank guarantees from Utility Powertech Ltd. for an amount of ₹ 4.18 crore (previous year ₹ 4.02 crore).

c) Remuneration to key management personnel for the year is ₹ 3.06 crore (previous year ₹ 2.63 crore) and amount of dues outstanding to the Company as on 31st March 2011 are ₹ 0.11 crore (previous year ₹ 0.06 crore).

24. Disclosure regarding leases			
	a) Finance leases	The Company has taken on lease certain vehicles and has the option to purchase the vehicles as per terms of the lease agreements, details of which are as under:	
		₹ crore	
		31.3.2011	31.3.2010
	a) Obligations towards minimum lease payments		
	• Not later than one year	0.72	0.73
	• Later than one year and not later than five years	0.80	0.87
	• Later than five years	-	-
	Total	1.52	1.60
	b) Present value of (a) above		
	• Not later than one year	0.61	0.52
	• Later than one year and not later than five years	0.73	0.86
	• Later than five years	-	-
	Total	1.34	1.38
	c) Finance Charges	0.18	0.22
	b) Operating leases	The Company's significant leasing arrangements are in respect of operating leases of premises for residential use of employees, offices and guest houses/transit camps. These leasing arrangements are usually renewable on mutually agreed terms but are not non-cancellable. Employees' remuneration and benefits include ₹ 76.99 crore (previous year ₹ 74.34 crore) towards lease payments, net of recoveries, in respect of premises for residential use of employees. Lease payments in respect of premises for offices and guest house/transit camps are included under 'Rent' in 'Generation, Administration and Other Expenses'. Further during the year, the Company has taken a helicopter on wet lease basis and the amount of lease charges is included in 'Miscellaneous Expenses' in 'Generation, Administration and Other Expenses'.	
25.	Earning Per Share	The elements considered for calculation of Earning Per Share (Basic and Diluted) are as under:	
		Current year	Previous year
	Net Profit after Tax used as numerator (₹ crore)	9,348.23	8837.65
	Weighted average number of equity shares used as denominator	8245,464,400	8245,464,400
	Earning per share (Basic and Diluted)- in ₹	11.34	10.72
	Face value per share (in ₹)	10/-	10/-
26.	The item-wise details of deferred tax liability (net) are as under:		
		(₹ crore)	
		31.3.2011	31.03.2010
	Deferred tax liability		
	i) Difference of book depreciation and tax depreciation	6,265.08	4,260.62
	Less: Deferred tax assets		
	i) Provisions & Other disallowances for tax purposes	1,301.88	966.70
	ii) Disallowed u/s 43B of the Income Tax Act, 1961	323.00	207.40
		1,624.88	1,174.10
	Deferred tax liability (net) – (a)	4640.20	3,086.92
	Recoverable from beneficiaries as per Regulation 39 of Regulations, 2009 – (b)	3,968.49	2,857.21
	Balance (a) - (b)	671.71	229.71
	The net increase during the year in the deferred tax liability is ₹ 442.00 crore (previous year decrease ₹ 229.61) has been debited to Profit & Loss Account.		
27.	Research and development expenditure charged to revenue during the year is ₹ 28.30 crore (previous year ₹ 20.56 crore).		

28.	Foreign currency exposure not hedged by a derivative instrument or otherwise:				
	₹ crore				
	Sl.	Particulars	Currencies	31.3.2011	31.3.2010
	a.	Borrowings, including interest accrued but not due thereon.	USD JPY Others	7,157.37 3,125.17 441.21	7,052.16 2,911.30 422.53
	b.	Sundry creditors/deposits and retention money	USD EURO Others	1189.05 601.76 30.31	967.91 354.54 36.40
	c.	Sundry debtor and Bank balances	USD	2.08	39.70
	d.	Unexecuted amount of contracts remaining to be executed	USD EURO Others	2,493.04 4,197.59 25.22	4,312.05 4,030.95 89.48
29.	As required by Accounting Standard (AS) 28 'Impairment of Assets' notified under the Companies (Accounting Standards) Rules, 2006, the parent Company has carried out the assessment of impairment of assets based on such assessment, there has been no impairment loss during year.				
30.	The pre-commissioning expenses during the year amounting to ₹ 130.28 crore (previous year ₹ 253.28 crore) have been included in Fixed Assets/Capital work-in-progress after adjustment of pre-commissioning sales of ₹ 34.96 crore (previous year ₹ 240.57) resulting in a net pre-commissioning expenditure of ₹ 95.32 crore (previous year ₹ 12.71 crore).				
31.	Estimated amount of contracts remaining to be executed on capital account and not provided for as at 31 st March 2011 is ₹ 31,496.08 crore (previous year ₹ 37,786.00 crore) which include an amount of ₹ 2,673.05 crore (previous year ₹ 3,989.50 crore) in respect of jointly controlled entities.				
32.	Contingent Liabilities:				
	1. Claims against the Company not acknowledged as debts in respect of:				
	(i) Capital Works				
	Some of the contractors for supply and installation of equipments and execution of works at our projects have lodged claims on the Company for ₹ 3,525.43 crore (previous year ₹ 3,878.77 crore) seeking enhancement of the contract price, revision of work schedule with price escalation, compensation for the extended period of work, idle charges etc. These claims are being contested by the Company as being not admissible in terms of the provisions of the respective contracts.				
	The Company is pursuing various options under the dispute resolution mechanism available in the contract for settlement of these claims. It is not practicable to make a realistic estimate of the outflow of resources if any, for settlement of such claims pending resolution.				
	(ii) Land compensation cases				
	In respect of land acquired for the projects, the land losers have claimed higher compensation before various authorities/courts which are yet to be settled. In such cases, contingent liability of ₹ 1,851.08 crore (previous year ₹ 1,786.25 crore) has been estimated.				
	(iii) Others				
	In respect of claims made by various State/Central Government departments/Authorities towards building permission fees, penalty on diversion of agricultural land to non- agricultural use, Nala tax, Water royalty etc. and by others, contingent liability of ₹ 1,248.00 crore (previous year ₹ 1,306.18 crore) has been estimated.				
	The contingent liabilities referred to in (i) above, includes an amount of ₹ 1,495.35 crore relating to the hydro power project stated in Note no. 11 above, for which Company envisages possible reimbursement from GOI in full. In respect of balance claims included in (i) and in respect of the claims mentioned at (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 Regulations subject to prudence check by the CERC. In case of (iii), the estimated possible reimbursement is ₹ 146.97 crore (previous year ₹ 428.90 crore).				

2. Disputed Income Tax/Sales Tax/Excise demands

Disputed Income Tax/Sales Tax/Excise matters are pending before various Appellate Authorities amounting to ₹ **2,547.79 crore** (previous year ₹ 2,299.93 crore) are disputed by the Company and contested before various Appellate Authorities. Many of these matters are disposed off in favour of the Company but are disputed before higher authorities by the concerned departments. In such cases, the Company estimated possible reimbursement of ₹ **1,793.37 crore** (previous year ₹ 1,793.37 crore).

3. Others

Other contingent liabilities amount to ₹ **408.57 crore** (previous year ₹ 309.05 crore).

Some of the beneficiaries have filed appeals against the tariff orders of the CERC. The amount of contingent liability in this regard is not ascertainable.

The contingent liabilities disclosed above include ₹ **123.09 crore** (previous year ₹ 59.90 crore) share of jointly controlled entities.

33. For certain items, the Company and its Joint Ventures have followed different accounting policies. However, impact of the same is not material.
34. Figures have been rounded off to nearest rupees in crore with two decimals.
35. Previous year figures have been regrouped /rearranged wherever considered necessary.

Statement of Accounting Ratios - Consolidated

₹ Crore

Description	As at/ For the year ended 31.03.2015	As at/ For the year ended 31.03.2014	As at/ For the year ended 31.03.2013	As at/ For the year ended 31.03.2012	As at/ For the year ended 31.03.2011
Basic and diluted Earning per Share (₹)	12.11	13.83	15.27	11.90	11.34
(Net profit after tax/Weighted average number of shares outstanding during the year)					
(i) Net profit after tax	9,986.34	11,403.61	12,590.78	9,812.79	9,353.40
(ii) Weighted average number of shares outstanding during the year	8,24,54,64,400	8,24,54,64,400	8,24,54,64,400	8,24,54,64,400	8,24,54,64,400
Return on Net Worth (%)	12.16	13.06	15.45	13.19	13.67
(Net profit after tax/Net Worth X 100)					
(i) Net profit after tax	9,986.34	11,403.61	12,590.78	9,812.79	9,353.40
(ii) Net worth (Shareholders' Fund)	82,093.98	87,329.72	81,475.88	74,402.79	68,443.52
Net Asset Value Per Share (₹)	99.56	105.91	98.81	90.23	83.01
(Net Worth/Number of shares at the end of the year)					
(i) Net worth (Shareholders' Fund)	82,093.98	87,329.72	81,475.88	74,402.79	68,443.52
(ii) Number of shares at the end of the year	8,24,54,64,400	8,24,54,64,400	8,24,54,64,400	8,24,54,64,400	8,24,54,64,400
Debt to Equity Ratio	1.25	0.93	0.86	0.80	0.74
(Total debt outstanding/Net Worth)					
(i) Total Debt Outstanding	1,02,252.00	81,454.98	70,418.78	59,804.09	50,754.83
(ii) Net worth (Shareholders' Fund)	82,093.98	87,329.72	81,475.88	74,402.79	68,443.52

Statement of Dividend- Consolidated

₹ Crore

Description	Year ended 31.03.2015	Year ended 31.03.2014	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011
Share Capital	8,245.46	8,245.46	8,245.46	8,245.46	8,245.46
Amount of Dividend					
Interim Dividend	618.42	3,300.69	3,094.07	2,887.92	2,473.63
Final Dividend	1,442.96	1,491.07	1,718.27	473.29	662.18
Total	2,061.38	4,791.76	4,812.34	3,361.21	3,135.81
Rate of Dividend (%)	25.00	58.11	58.36	40.76	38.03
Corporate Dividend Tax	433.00	814.37	793.93	542.19	518.49

Note: 1.Total dividend does not include issue of bonus debentures of ₹ 10306.83 Crore out of free reserves during the year 2014-15.

2. Further, an amount of ₹ 2060.76 Crore has been paid towards Corporate Dividend Tax for the bonus debentures.

Capitalisation Statement - Consolidated

₹ Crore

Description	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011
Debts					
Long Term	93,362.92	75,542.30	64,587.72	54,851.94	47,059.57
Short Term	640.15	433.64	382.16	150.16	39.40
Current Maturity of Long Term Debt	8,248.93	5,479.04	5,448.90	4,801.99	3,655.86
Total Debts (A)	1,02,252.00	81,454.98	70,418.78	59,804.09	50,754.83
Shareholders' Fund					
Share Capital	8,245.46	8,245.46	8,245.46	8,245.46	8,245.46
Reserves & Surplus	73,848.52	79,084.26	73,230.42	66,157.33	60,198.06
Total Shareholders' Fund (B)	82,093.98	87,329.72	81,475.88	74,402.79	68,443.52
Debt to Equity Ratio (A/B)	1.25	0.93	0.86	0.80	0.74

ANNEXURE B – CREDIT RATING



ICRA Limited

Ref: D/RAT/2015-16/N3/1

Date: August 14, 2015

Mr. Kulamani Biswal
Director- Finance
National Thermal Power Corporation Limited
Core-7, SCOPE Complex
Lodhi Road
New Delhi – 110 003

Dear Sir,

Re: ICRA Credit Rating for Rs 5000 crore bonds programme of NTPC Limited

Please refer to your Rating Requisition dated July 1, 2015 and the subsequent Rating Agreement dated July 2, 2015 for carrying out the rating of the aforesaid bonds programme. The Rating Committee of ICRA, after due consideration, has assigned a rating of “[ICRA]AAA” (pronounced as ICRA Triple A) on the long term scale to the captioned bonds programme. The outlook on the long term scale is ‘stable’. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk. In any of your publicity material or other document wherever you are using our above rating, it should be stated as “[ICRA]AAA(stable)”. We would appreciate if you can sign on the duplicate copy of this letter and send it to us within 7 days from the date of this letter as confirmation about the use of the assigned rating. Any intimation by you about the above rating to any Banker/Lending Agency/Government Authorities/Stock Exchange would constitute use of this rating by you.

This rating is specific to the terms and conditions of the proposed issue as was indicated to us by you and any change in the terms or size of the issue would require the rating to be reviewed by us. If there is any change in the terms and conditions or size of the instrument rated, as above, the same must be brought to our notice before the issue of the instrument. If there is any such change after the rating is assigned by us and confirmed to use by you, it would be subject to our review and may result in change in the rating assigned.

ICRA reserves the right to suspend, withdraw or revise the above at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the rating assigned to you.

The rating, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the bonds to be issued by you. If the instrument rated, as above, is not issued by you within a period of 3 months from the date of this letter communicating the rating, the same would stand withdrawn unless revalidated before the expiry of 3 months.

Satyam Mohan

Arunesh

Building No. 8, 2nd Floor
Tower A, DLF Cyber City
Phase II, Gurgaon - 122002

Tel. : + 91 - 124 - 4545300
Fax : + 91 - 124 - 4050424
CIN : L74999DL1991PLC042749

website : www.icra.in
email : info@icraindia.com

Registered Office : 1105, Kailash Building, 11th Floor, 26 Kasturba Gandhi Marg, New Delhi - 110001. Tel. : +(91-11) 23357940-50 Fax : +(91-11) 23357014

RATING • RESEARCH • INFORMATION



You are required to forthwith inform us about any default or delay in repayment of interest or principal amount of the instrument rated, as above, or any other debt instruments/ borrowing. You are also required to keep us forthwith informed of any other developments which may have a direct or indirect impact on the debt servicing capability of the company including any proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts of the company with any lender(s) / investor(s).

You are required to inform us immediately as and when the borrowing limit for the instrument rated, as above, or as prescribed by the regulatory authority (ies) is exceeded.

We thank you for your kind cooperation extended during the course of the rating exercise. Should you require any clarification, please do not hesitate to get in touch with us.

With kind regards,

Yours sincerely,
for ICRA Limited



Sabyasachi Majumdar
(Senior Vice President)



Avneet Kaur
(Assistant Vice President)



ICRA Limited

Ref: D/RAT/2015-16/N3/5

Date: September 1, 2015

Mr. Kulamani Biswal
Director- Finance
NTPC Limited
Core-7, SCOPE Complex
Lodhi Road
New Delhi – 110 003

Dear Sir,

Re: **ICRA Credit Rating for Rs 5000 crore bonds programme (including Tax free bonds) of NTPC Limited**

This is with reference to your e-mail dated September 1, 2015, requesting for the revalidation of the rating assigned to the aforesaid long-term Bonds programme (including tax free bonds) of NTPC Limited.

We confirm that the “[ICRA]AAA” rating (pronounced ICRA Triple A) with a Stable outlook on the long term scale, assigned to the captioned borrowing programme of your company and last communicated to you vide our letter dated August 14, 2015 stands. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

The other terms and conditions for the credit rating of the aforementioned instrument shall remain the same vide our letter Ref: D/RAT/2015-16/N3/1 dated August 14, 2015.

With kind regards,
For ICRA Limited



Sabyasachi Majumdar
Senior Vice President

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R A T I N G • R E S E A R C H • I N F O R M A T I O N



NTPC Limited

Instrument Details	Amount in Rs. Crore [^]	Rating Action
		August 2015
LT Bonds Programme	5000.00	[ICRA]AAA (stable); <i>assigned</i>
Term Loans	65000.00 (enhanced from 56577.25)	[ICRA]AAA (stable); <i>assigned/outstanding</i>
Fund Based Limits	200.00	[ICRA]AAA (stable); <i>outstanding</i>
Non Fund based Limits	4800.00	[ICRA]A1+; <i>outstanding</i>
LT Bonds Programme	17682.50	[ICRA]AAA (stable); <i>outstanding</i>
Bonus debentures	10306.8305	[ICRA]AAA (stable); <i>outstanding</i>

ICRA has assigned the rating of [ICRA]AAA (pronounced ICRA triple A) on the long term scale for Rs. 5000 crore Long term bonds programme of NTPC Limited. ICRA has also assigned ratings of [ICRA]AAA (pronounced ICRA Triple A) on a long term scale and [ICRA]A1+ (pronounced ICRA A one plus) on short term scale to the bank lines of NTPC Limited for an amount of Rs 70,000 crore (enhanced from Rs 61577.25 crore). The outlook on the long term rating is 'Stable'. NTPC has outstanding rating of [ICRA]AAA (pronounced ICRA triple A) on the long term scale for Rs. 17682.5 crore bonds programme & Rs 10306.8305 crore Bonus debentures programme. The outlook on the long term rating is 'Stable'

ICRA's rating reaffirmation factors in NTPC's dominant position in the Indian power sector, its strategic importance to Government of India for achieving the targeted capacity addition programme under the central sector, its diversified customer base, and its cost competitiveness arising out of superior operational efficiencies along with proximity of most of its coal-based plants to pit heads. This coupled with the cost plus nature of tariffs has resulted in healthy and stable profitability indicators. The rating also factors in NTPC's strong financial position as reflected in low gearing and healthy coverage indicators. NTPC's cash collections have continued to remain strong since 2003-04 (as a result of tripartite agreement for settlement of SEB dues and the resultant payment discipline), as reflected by collections of 100% for FY 2014-15 and 3M FY16. Sustainability of the collection performance, going forward, remains an issue if sectoral reforms do not result in a fundamental improvement in the financial position of the state power utilities. In this context, ICRA notes that despite the satisfactory progress in filing of tariff petitions for FY 2016, SERCs in only 20 out of 29 states have issued tariff orders for FY 2015-16 so far. For the states which have issued tariff orders, tariff hikes have largely been limited on account of which sectoral woes like accumulation of regulatory assets and substantial revenue gaps are likely to continue in the near future. Further, the actual losses for utilities across a majority of the states have remained higher than the loss trajectory approved by the SERCs. Overall subsidy dependence also remains high, and is estimated at Rs. 709 billion by ICRA for FY 2016 for the state owned distribution utilities. Timely issuance of tariff orders, adequate tariff hikes for reduction of revenue gaps and time-bound recovery of the regulatory assets, reduction of distribution loss levels and ultimately decreasing subsidy dependence remain imperative for the financial health of the power distribution sector.

NTPC has consistently demonstrated superior operating performance, as reflected by PAF and PLF levels of its generation stations which have remained much higher than the national average. For Q1'FY16, the company's coal based power plants reported average PAF levels of 91.61% (as compared to the normative levels of 83%) and average PLF levels of 77.58% (as against the national average of 61.8%). For FY 2014-15 PLF of coal-based stations was 80.23% as compared to the National PLF of 64.46% for the year. Availability Factor of coal stations in FY 15 was 88.7% as compared to AVF(DC) of 91.8% in FY14.

For FY 2014-15, the average PAF levels stood at 88.7% and average PLF levels stood at 80.2% for its coal based plants. However, the PLFs for gas based power stations remained low for Q4'FY15 which

[^] 100 lakh = 1 crore = 10 million



is attributable to low demand from grid for RLNG and Naphtha based power due to its high cost. Nevertheless, PAF levels for gas based plants remained adequate at 96.58% for Q1'FY16.

NTPC's coal availability remained satisfactory in FY15 and 3M FY 16 as reflected by the satisfactory generation performance of the company's coal based power plants for the quarter. Further, coal availability at the Farakka and Kahalgaon stations improved substantially with the completion of waterways for transportation of coal. ICRA continues to derive comfort from the company's existing FSAs with CIL & SCCL for 1160 MW generation capacity yet to be commissioned and for 32,355 MW generation capacity (98% of commissioned standalone capacity) which assures it of significant volumes of domestic coal, its ability to source fairly large quantities of coal from overseas suppliers, and likelihood of supplies commencing in the near term from its ongoing captive mine development programme. Nevertheless, NTPC's dependence on coal imports to meet its requirement is likely to increase going forward.

ICRA also notes that the CERC's tariff regulations for FY 2015-19 have introduced a number of key changes which may impact profitability of Gencos, including tightening of normative parameters for operational efficiency, linking of incentives to achieved PLF levels (earlier linked to plant availability), grossing up of pre-tax RoE based on effective tax rate (as against grossing up at applicable tax rate earlier) and reduction in allowed fuel stock for normative working capital. However, the normative plant availability factor for recovery of fixed charges has been reduced from 85% in earlier regulations to 83%.

NTPC has substantial expansion plans which are likely to be funded with a debt: equity ratio of 70:30 which may result in a higher gearing compared to the present debt equity ratio of 1.05 times (As on 31st March 2015). However, the company's debt servicing ability is expected to remain strong, given the cost plus tariff structure and tariff competitiveness of its existing power plants. While a few of NTPC's ongoing projects have seen some slippages in terms of project execution, this is unlikely to have a significant impact on the debt servicing capabilities given the strong cash flows from a large basket of operational power plants.

Going forward, NTPC's ability to ensure fuel security for its substantial expansion projects as well as sustenance of the strong collection performance will remain key rating drivers.

Company Profile

NTPC was incorporated in 1975 as a thermal generation company and is currently India's largest power generating entity. The total installed generation capacity of the company stood at 37,127 MW as on July 31, 2014 (43,128 MW including JVs/subsidiaries). In 2013-14, NTPC group generated 250.63 billion units, accounting for 25.91% of the total power generated in India. NTPC has been accorded the status of "Maharatna", which gives it considerable operating flexibility. While continuing with its core business of coal and gas based thermal generation, NTPC has recently diversified (in some cases through JVs), into related activities like consulting, hydro-power development, power trading, coal mining, and exploration for oil and gas.

NTPC reported total income from operations of Rs. 73,246.05 crore and profit after tax (PAT) of Rs. 10,290.86 crore for FY 2014-15, and total income from operations of Rs.17085 crore and profit after tax (PAT) of Rs.2135 crore for Q1 FY 2015-16.

August 2015

For further details please contact:

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CONFIDENTIAL

NTPCLTD/137722/NCD/081500586
August 13, 2015



Mr. K. Sreekant
G.M. Finance
NTPC Limited
NTPC Bhawan
SCOPE Complex Core-7
7, Institutional Area, Lodhi Road
NEW DELHI - 110003
Tel:11 24369121

Dear Mr. K. Sreekant,

Re: CRISIL Rating on the Rs.50 Billion Non-Convertible Debentures of NTPC Limited

We refer to your request for a rating for the captioned Debt instrument.

CRISIL has, after due consideration, assigned a "CRISIL AAA" (pronounced "CRISIL Triple A rating") rating to the captioned Debt instrument. Instruments with this rating are considered to have the highest degree of safety regarding timely servicing of financial obligations. Such instruments carry lowest credit risk.

As per our Rating Agreement, CRISIL would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL reserves the right to suspend, withdraw or revise the ratings assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information or other circumstances, which CRISIL believes, may have an impact on the rating.

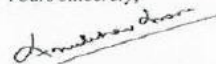
Further, in view of your decision to accept the CRISIL Rating, we request you to apprise us of the instrument details (in the enclosed format) as soon as it has been placed. In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL will be necessary.

As per the latest SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities Identification number (ISIN, along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us for any clarifications you may have at debtissue@crisil.com

Should you require any clarifications, please feel free to get in touch with us.

With warm regards,

Yours sincerely,



Anubhav Arora
Associate Director - CRISIL Ratings



Nivedita Shibu
Team Leader - CRISIL Ratings



A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy, sell, or hold the rated instrument, it does not comment on the market price or suitability for a particular investor. All CRISIL ratings are under surveillance. Ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of this product. CRISIL Ratings rating criteria are available without charge to the public on the CRISIL web site, www.crisil.com. For the latest rating information on any instrument of any company rated by CRISIL, please contact Customer Service Helpdesk at 1800-267-1301.

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CONFIDENTIAL



Ref: RG/NTPCL/SN/31714
September 01, 2015

Mr. K. Sreekant
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NTPC Bhawan, SCOPE Complex
Core-7, Institutional Area, Lodi Road
New Delhi-110003
Tel: (011) 2436 9121
Fax: (011) 2436 1665

Dear Mr. Sreekant,

Re: CRISIL Rating for the Rs. 50.0 billion Non-Convertible Debentures (including Tax-Free Bonds) of NTPC Ltd.

All ratings assigned by CRISIL are kept under continuous surveillance and review.

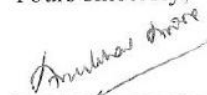
Please find in the table below the ratings outstanding for your company.

S.No.	Instrument	Rated Amount (Rs. in Billion)	Rating Outstanding
1	Non-Convertible Debentures (including Tax-Free Bonds)	50.0	CRISIL AAA

As per our Rating Agreement, CRISIL would disseminate the rating through its publications and other media, and keep the rating under surveillance for the life of the instrument. Additionally, the rating lists in its publications such as RatingScan and BLR Connect are also updated to reflect the latest ratings outstanding. CRISIL reserves the right to suspend, withdraw, or revise the rating assigned to the captioned programme at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL believes may have an impact on the rating.

Should you require any clarifications, please feel free to get in touch with us.
With warm regards,

Yours sincerely,



Anubhav Arora
Associate Director—Corporate & Infrastructure Ratings




Rajat Gupta
Manager—Corporate & Infrastructure Ratings

A CRISIL rating reflects CRISIL's current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL. CRISIL ratings are based on information provided by the issuer or obtained by CRISIL from sources it considers reliable. CRISIL does not guarantee the completeness or accuracy of the information on which the rating is based. A CRISIL rating is not a recommendation to buy / sell or hold the rated instrument, it does not comment on the market price or suitability for a particular investor.

CRISIL has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. For the latest rating information on any instrument of any company rated by CRISIL, please contact CRISIL RATING DESK at CRISILratingdesk@crsil.com or at (+91 22) 3342 3001 – 09.

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August 13, 2015
Mumbai

NTPC Limited

'CRISIL AAA' assigned to NCD Issue

Total Bank Loan Facilities Rated	Rs.700 Billion (Enhanced from Rs.615.77 Billion)
Long Term Rating	CRISIL AAA (Reaffirmed)
Short Term Rating	CRISIL A1+ (Reaffirmed)

(Refer to Annexure 1 for Facility-wise details)

Rs.50 Billion Non Convertible Debentures (Including Tax-Free Bonds)	CRISIL AAA (Assigned)
Rs. 103068.3 Million Non Convertible Debentures*	CRISIL AAA (Reaffirmed)
Rs.30 Billion Non Convertible Debentures	CRISIL AAA (Reaffirmed)
Rs.50 Billion Non Convertible Debentures	CRISIL AAA (Reaffirmed)
Rs.2 Billion Non Convertible Debentures	CRISIL AAA (Reaffirmed)
Fixed Deposits Programme	FAAA (Reaffirmed)
Rs. 2.5 Billion Commercial Paper Programme	CRISIL A1+ (Reaffirmed)
Rs.5 Billion Bond Issue (Series XII)	CRISIL AAA (Reaffirmed)
Rs.7.5 Billion Bond Issue (Series XIII A)	CRISIL AAA (Reaffirmed)
Rs.7.5 Billion Bond Issue (Series XIII B)	CRISIL AAA (Reaffirmed)
Rs.5 Billion Bond Issue (Series XIV)	CRISIL AAA (Reaffirmed)
Rs.5 Billion Bond Issue (Series XV)	CRISIL AAA (Reaffirmed)
Rs.1 Billion Bond Issue (Series XVI)	CRISIL AAA (Reaffirmed)
Rs.500 Million Bond Issue (Series XVII)	CRISIL AAA (Reaffirmed)
Rs.5 Billion Bond Issue (Series XVIII)	CRISIL AAA (Reaffirmed)
Rs.500 Million Bond Issue (Series XIX)	CRISIL AAA (Reaffirmed)
Rs.5 Billion Bond Issue (Series XX)	CRISIL AAA (Reaffirmed)
Rs.10 Billion Bond Issue (Series XXI)	CRISIL AAA (Reaffirmed)
Rs.5 Billion Bond Issue (Series XXII)	CRISIL AAA (Reaffirmed)
Rs.5 Billion Bond Issue (Series XXIII)	CRISIL AAA (Reaffirmed)
Rs.5 Billion Bond Issue (Series XXIV)	CRISIL AAA (Reaffirmed)
Rs.5 Billion Bond Issue (Series XXV)	CRISIL AAA (Reaffirmed)
Rs.5 Billion Bond Issue (Series XXVI)	CRISIL AAA (Reaffirmed)
Rs.3.5 Billion Bond Issue (Series XXVII)	CRISIL AAA (Reaffirmed)
Rs.10 Billion Bond Issue (Series XXVIII)	CRISIL AAA (Reaffirmed)
Rs.5.5 Billion Bond Issue (Series XXIX)	CRISIL AAA (Reaffirmed)
Rs.7 Billion Bond Issue (Series XXX)	CRISIL AAA (Reaffirmed)
Rs.5 Billion Bond Issue (Series XXXI)	CRISIL AAA (Reaffirmed)
Rs.1.05 Billion Bond Issue (Series XXXII)	CRISIL AAA (Reaffirmed)
Rs.1.95 Billion Bond Issue (Series XXXIII)	CRISIL AAA (Reaffirmed)
Rs.1.5 Billion Bond Issue (Series XXXIV)	CRISIL AAA (Reaffirmed)
Rs.1.2 Billion Bond Issue (Series XXXV)	CRISIL AAA (Reaffirmed)
Rs.0.75 Billion Bond Issue (Series XXXVI)	CRISIL AAA (Reaffirmed)
Rs.3 Billion Bond Issue (Series XXXVII)	CRISIL AAA (Reaffirmed)

Rs.0.75 Billion Bond Issue (Series XXXVIII)	CRISIL AAA (Reaffirmed)
Rs.1.05 Billion Bond Issue (Series XXXIX)	CRISIL AAA (Reaffirmed)
Rs.0.75 Billion Bond Issue (Series XL)	CRISIL AAA (Reaffirmed)
Rs.0.75 Billion Bond Issue (Series XLI)	CRISIL AAA (Reaffirmed)
Rs.5 Billion Bond Issue (Series XLII)	CRISIL AAA (Reaffirmed)
Rs.0.75 Billion Bond Issue (Series XLIII)	CRISIL AAA (Reaffirmed)
Rs.5 Billion Bond Issue (Series XLIV)	CRISIL AAA (Reaffirmed)
Rs.0.75 Billion Bond Issue (Series XLV)	CRISIL AAA (Reaffirmed)
Rs.0.75 Billion Bond Issue (Series XLVI)	CRISIL AAA (Reaffirmed)
Rs.3.90 Billion Bond Issue (Series XLVII)	CRISIL AAA (Reaffirmed)
Rs.3.0 Billion Bond Issue (Series XLVIII)	CRISIL AAA (Reaffirmed)
Rs.2 Billion Bond Issue (Series XLIX)	CRISIL AAA (Reaffirmed)
Rs.17.50 Billion Bond Issue (Series L)	CRISIL AAA (Reaffirmed)
Rs.5 Billion Bond Issue (Series LI)	CRISIL AAA (Reaffirmed)
Rs.7.50 Billion Bond Issue (Series LII)	CRISIL AAA (Reaffirmed)
Rs.10.15 Billion Bond Issue	CRISIL AAA (Reaffirmed)

**Refers to Rs.103,068.305-million bonus debentures to be issued by NTPC to mark its 40th year of operations. The debentures have a 10-year tenor with repayments in the 8th, 9th, and 10th years and will carry interest rates of G-Sec plus 50 bps.*

CRISIL has assigned its '**CRISIL AAA**' rating to the Rs.50 billion non-convertible debentures (NCDs) of NTPC, while reaffirming its ratings on NTPC's bank facilities, and debt and fixed deposit programme at '**CRISIL AAA/FAAA/CRISIL A1+**'.

The ratings continue to be driven by NTPC's dominant position in India's regulated power generation sector, the company's strong business and financial risk profiles, and its strategic importance to the Government of India (GoI), which holds a 74.96 per cent equity stake in the company. These rating strengths are partially offset by the weak credit risk profiles of NTPC's customers and the company's exposure to the systemic risk of fuel shortage in India.

NTPC is India's largest power generation company with around 18 per cent of the country's installed power generation capacity; the company accounts for around 26 per cent of the power generated in India. NTPC has strong business and financial risk profiles and superior project execution skills. Moreover, the tariff structure ensures recovery of all fixed expenses, including debt-servicing charges, and provides for fixed return on equity, based on achievement of performance benchmarks mandated by the regulator. Although NTPC's profitability will be impacted by changes under the Central Electricity Regulatory Commission tariff regulations for the tariff period 2014-19, the company's fixed costs will continue to be recovered at 83 per cent of plant availability with 15.5 per cent pretax return on equity. For the three months ended June 2015, NTPC's coal- and gas-based plants reported plant availability factor of around 91.6 per cent and 96.6 per cent, respectively. CRISIL expects NTPC's power generation and cash flows to continue to grow, driven by the company's ongoing capacity expansion and superior operating efficiency. The company's collection efficiency was consistently at 98 to 100 per cent over the past eight years despite deterioration in the credit risk profiles of state power utilities (SPUs).

Low gearing, comfortable debt protection ratios, and robust liquidity continue to mark NTPC's financial risk profile. The company maintained a comfortable consolidated gearing of 0.9 times and net profit margin of around 15 per cent over the past three years. NTPC's gearing has increased with the issuance of bonus debentures to 1.21 times as on March 31, 2015. However, CRISIL believes that it will remain comfortable and well within the stipulated norms prescribed by the regulator. Further, NTPC's financial risk profile is also supported by robust liquidity; the company had cash balance of Rs.142.52 billion as on March 31, 2015 at a consolidated level.

GoI has granted the 'Maharatna' status to NTPC. In the past, GoI had provided NTPC with need-based financial support in the form of guarantees for foreign currency borrowings; CRISIL believes that GoI will extend support if needed.

However, the credit risk profiles of NTPC's customers (SPUs) are weak. The repayment performance of SPUs remains a key rating sensitivity factor for NTPC's credit risk profile. The systemic shortage of fuel faced by the country and its impact on the operating performance, and consequently, the credit risk profile of NTPC will continue to be monitored by CRISIL.

About the Company

NTPC was incorporated in 1975. As on June 30, 2015, NTPC had installed capacity of 45,048 megawatts (MW), including capacity owned by subsidiaries and joint venture companies. The company enjoys GoI's Maharatna status. GoI's shareholding in NTPC as on June 30, 2015, was at 74.96 per cent.

NTPC reported a consolidated net profit of Rs.99.86 billion on net sales of Rs.806.22 billion for 2014-15 (refers to financial year, April 1 to March 31), against Rs.114.04 billion and Rs.796.19 billion, respectively, for the previous year. For the three months ended June 30, 2015, NTPC reported a standalone net profit of

Rs.21.35 billion on net sales of Rs.170.85 billion, as against a net profit of Rs.22.01 billion and sales of Rs.183.37 billion for the corresponding period of the previous year.

Annexure 1 - Details of various bank facilities

Current facilities			Previous facilities		
Facility	Amount (Rs.Million)	Rating	Facility	Amount (Rs.Million)	Rating
Bank Guarantee	19000	CRISIL A1+	Bank Guarantee	18600	CRISIL A1+
Cash Credit	2000	CRISIL AAA	Cash Credit	2000	CRISIL AAA
Letter of Credit	29000	CRISIL A1+	Letter of Credit	29000	CRISIL A1+
Long Term Loan	589893.5	CRISIL AAA	Long Term Loan	467685.3	CRISIL AAA
Proposed Long Term Bank Loan Facility	60106.5	CRISIL AAA	Proposed Bank Guarantee	400	CRISIL A1+
—	0	--	Proposed Long Term Bank Loan Facility	98087.2	CRISIL AAA
Total	700000	--	Total	615772.5	--

Media Contacts	Analytical Contacts	Customer Service Helpdesk
<p>Tanuja Abhinandan Media Relations CRISIL Limited Phone: +91 22 3342 1818 Email: tanuja.abhinandan@crisil.com</p> <p>Jyoti Parmar Media Relations CRISIL Limited Phone: +91 22 3342 1835 E-mail: jyoti.parmar@crisil.com</p>	<p>Sudip Sural Senior Director - CRISIL Ratings Phone: +91 124 672 2000 Email: sudip.sural@crisil.com</p> <p>Sridhar C Director - CRISIL Ratings Phone: +91 22 3342 3546 Email: chandrasekhar.sridhar@crisil.com</p>	<p>Timings: 10.00 am TO 7.00 pm Toll free Number: 1800 267 1301 Email: CRISILratingdesk@crisil.com</p>

CARE/DRO/RL/2015-16/1606

Mr. K Sreekant
GM (Finance)
NTPC Ltd.
NTPC Bhawan, SCOPE Complex,
Institutional Area, Lodhi Road,
New Delhi – 110003

September 1, 2015

Confidential

Dear Sir,

Credit rating for proposed long term bond programme for FY16

Please refer to your request for rating of proposed long-term bond programme aggregating to Rs. 5,000 crore of your company.

2. The following ratings have been assigned by our Rating Committee:

Instrument	Amount (Rs. Cr)	Rating ¹	Remarks
Proposed long-term bond programme for FY16 (Including Tax Free Bonds)	5,000	CARE AAA (Triple A)	Assigned
Total	5,000 (Rs. Five Thousand Crore only)		

- The rationale for the rating will be communicated to you separately.
- Please arrange to get the rating revalidated, in case the proposed bond issue is not made within a period of six months from the date of our initial communication of rating to you (that is September 1, 2015)
- In case there is any change in the size or terms of the proposed issue, please get the rating revalidated.
- Please inform us the details of issue [date of issue, name of investor, amount issued, interest rate, date of payment of interest, date and amount of repayment etc.] as soon as the bonds have been placed.

¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

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7. Kindly arrange to submit to us a copy of each of the documents pertaining to the bond issue, including the offer document and the trust deed.
8. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.
9. CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the company to furnish such information, material or clarifications as may be required by CARE. CARE shall also be entitled to publicize/disseminate such suspension/withdrawal/revision in the assigned rating in any manner considered appropriate by it, without reference to you.
10. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
11. CARE ratings are **not** recommendations to buy, sell or hold any securities.

If you need any clarification, you are welcome to approach us in this regard. We are indeed, grateful to you for entrusting this assignment to CARE.

Thanking you,

Yours faithfully,



[Praseem Kulshrestha]
Deputy Manager
[praseem.kulshrestha@careratings.com]



[Ajay Dhaka]
Senior Manager
[ajay.dhaka@careratings.com]

Encl.: As above

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

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CIN-L67190MH1993PLC071691

Rating Rationale-cum-Brief Rationale

CARE assigns 'CARE AAA' rating to the proposed long-term bond programme of NTPC

Ltd

Rating

Instrument	Amount (Rs. crore)	Ratings ¹	Remarks
Proposed long-term bond programme for FY16 (Including Tax Free Bonds)	5,000	CARE AAA (Triple A)	Assigned
Total	5,000 (Rs. Five Thousand Crore only)		

Rating Rationale

The rating takes into account the majority ownership in NTPC Ltd (NTPC) by the Government of India (GoI), its established position as India's largest power producer with high operational efficiency of its plants and the company's geographical diversity of power plants as well as power off-takers. The ratings also derive comfort from the company's consistent financial performance backed by strong earnings protection attributable to long-term power purchase agreements coupled with long-term fuel supply agreements and its comfortable capital structure and healthy liquidity position. Furthermore, the ratings also factor in risks associated with the implementation of the ongoing projects undertaken by the company and weak financial health of its power off-takers.

Going forward, NTPC's ability to execute the ongoing projects within the time and cost estimates and timely collection from the company's power off-takers shall be the key rating sensitivities.

Background

NTPC was incorporated on November 7, 1975, under the name National Thermal Power Corporation Private Ltd. Subsequently, it was converted into a public limited company in

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

September 1985. The company got its present name in October 2005. Government of India (GoI) holds majority stake in NTPC with a shareholding of 74.96% as on March 31, 2015. It is the largest power generation company in India with an installed generation capacity of 44,398 MW (including JVs) constituting 16.34% of the total installed power generation capacity in the country as on March 31, 2015. On standalone basis it had commercial capacity of 37,142 MW (as on March 31, 2015) through 24 power stations located across India representing 13.67% of the total installed capacity of India.

The company's contribution in the country's total power generation stood at 23% during FY15 (refers to the period April 1 to March 31). The company added approximately 1,095 MW of capacity in FY15 on a standalone basis, which included Barh unit 2(660 MW), Koldam hydro (Unit I and II: 400 MW). The aggregate Plant Load Factor (PLF) for company's the coal-based power plant declined marginally from 81.50% in FY14 to 80.23% in FY15.

During FY15, on total operating income of Rs.75,239 crore, the company had reported PBILDT and PAT of Rs.17,899 crore and Rs.10,291 crore, respectively. Furthermore, as per the unaudited results of Q1FY16 (provisional) (refers to the period April 1 to June 30), NTPC has reported PBILDT and PAT of Rs.3,438 crore and Rs.2,136 crore, respectively, on a total operating income of Rs.17,085 crore.

For detailed rationale please refer to our website www.careratings.com

Analyst Contact

Name: Ajay Dhaka

Tel: 011-45333218

Email: ajay.dhaka@careratings.com

CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns, the rating assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

ANNEXURE C – CONSENT FROM THE BOND TRUSTEE

IDBI Trusteeship Services Ltd.



3281/ITSL/OPR/2015-2016

Date: September 09, 2015

NTPC Limited
 NTPC Bhawan
 SCOPE Complex
 7, Institutional Area
 Lodhi Road
 New Delhi 110 003

Regd. Office :
 Asian Building, Ground Floor,
 17, R. Kamani Marg, Ballard Estate,
 Mumbai - 400 001.

Re: Proposed Public Issue of Tax Free Bonds Secured Redeemable Non-Convertible Bonds in the Nature of Debentures having Tax Benefits under Section 10(15)(iv)(h) of the Income Tax Act, 1961, as amended (the "Bonds") in the financial year 2015-16 (the "Issue") by NTPC Limited (the "Company") pursuant to the Notification No. 59/2015/F.NO.178/27/2015-(ITA.1) Dated July 6, 2015 issued by the Central Board of Direct Taxes, Department of Revenue, Ministry of Finance, Government of India

We, the undersigned, do hereby consent to act as the Debenture Trustee to the Issue pursuant to Regulation 4(4) of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended and our name and the following details being inserted as Debenture Trustee to the Issue in the draft prospectus (hereinafter referred to as "**Draft Prospectus**") to be filed with BSE Limited and/or National Stock Exchange of India Limited (hereinafter referred to as "**Relevant Stock Exchanges**") for the purpose of receiving public comments and Securities and Exchange Board of India (hereinafter referred to as "**SEBI**"), and the prospectus (hereinafter referred to as "**Prospectus**") which the Company intends to file with the SEBI, the Registrar of Companies, National Capital Territory of Delhi and Haryana (hereinafter referred to as "**RoC**") and Relevant Stock Exchanges, in respect of the proposed Issue of Bonds and all related advertisements, and subsequent communications sent to the holders of Bonds pursuant to the Issue.

Name: IDBI Trusteeship Services Limited
 Address: Asian Building, Ground Floor, A
 17, R. Kamani Marg, Ballard Estate,
 Mumbai – 400 001.
 Tel: +91 22 4080 7000
 Fax: +91 22 4080 7000
 Email: itsl@idbitrustee.com
 Investor Grievance Email: response@idbitrustee.com
 Website: www.idbitrustee.com
 Contact Person: Anjalee Athayle
 SEBI Registration No.: IND000000460

We confirm that we are registered with the SEBI and that such registration is valid as on the date of this letter, the brief details of which are as follows.

Registration Number	IND000000460
Date of expiry of registration	April 25, 2017
Renewal of registration/if applied for renewal, date of application	April 26, 2012
Period up to which registration/renewal fees has been paid	April 25, 2017
Any communication from SEBI, prohibiting us from acting as an intermediary in capital market issues	NA
Any enquiry/investigation being	NA



Tel. : 022-4080 7000 • Fax : 022-6631 1776 / 4080 7080 • Email : itsl@idbitrustee.com • response@idbitrustee.com
 Website : www.idbitrustee.com • CIN : U65991MH2001GO1131154

conducted by SEBI

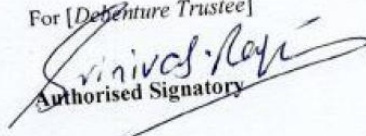
We enclose a copy of our registration certificate.

We confirm that we will immediately inform the Company and the Lead Managers of any change to the above information until the Bonds commence trading on the stock exchanges. In the absence of any such communication from us, the above information should be considered as updated information until the Bonds commence trading on the stock exchanges.

We hereby authorise you to deliver a copy of this letter of consent to the stock exchanges, the RoC and any other regulatory or statutory authority as required by law.

Sincerely,

For [Debenture Trustee]


Authorised Signatory

Cc:

A.K. Capital Services Limited
30-39, Free Press House, 3rd Floor
Free Press Journal Marg
215, Nariman Point
Mumbai 400 021

Axis Capital Limited
1st Floor, Axis House
C-2, Wadia International Centre
Pandurang Budhkar Marg, Worli
Mumbai 400 025

Edelweiss Financial Services Limited
Edelweiss House, Off C.S.T. Road, Kalina
Mumbai - 400 098

SBI Capital Markets Limited
202, Maker Tower E
Cuffe Parade
Mumbai 400 005

AZB & Partners
Plot No. A8, Sector 4
Noida 201301

